

UNOFFICIAL COPY

Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 1423913045 Fee: \$108.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 08/27/2014 01:27 PM Pg: 1 of 36

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN:** 12-31-200-023-0000

Address:

Street: 505 N Railroad Avenue

Street line 2:

City: Northlake

State: IL

ZIP Code: 60164

Lender: BANK OF AMERICA, N.A.

Borrower: DC-505 NORTH RAILROAD AVENUE, LLC

Loan / Mortgage Amount: \$105,850,000.00

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.

Box 400-CTCC

Certificate number: 38DD0126-C5F1-478D-9F60-32C7D3884E66

Execution date: 08/21/2014

Property of Cook County Clerk's Office

893676800000

UNOFFICIAL COPY

**This Document Prepared By
and After Recording Return to:**

Keith A. Mrochek
Nexsen Pruet, LLC
227 West Trade Street, Suite 1550
Charlotte, North Carolina, 28202
704-338-5333 (office)
704-805-4732 (fax)
KMrochek@nexsenpruet.com

Address of Property:

SUSN Railroad Avenue
Northlake, IL 60062

PIN Numbers:

123-200-023-0000

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

This document serves as a Fixture Filing under the Illinois Uniform Commercial Code, Chapter 810 ILCS 5/9-502(b), *et seq.* Mortgagor's Organizational Identification Number: 5518077 (DE).

THIS MORTGAGE, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made this 21st day of August, 2014, by DC-505 NORTH RAILROAD AVENUE, LLC, Delaware limited liability company ("Mortgagor"), in favor of BANK OF AMERICA, N.A., a national banking association, as agent ("Administrative Agent") under a Loan Agreement of even date among the Borrower, Bank of America, N.A., and the other lending institutions which become parties to the Loan Agreement (Bank of America, N.A. and the other lending institutions which become parties to the Loan Agreement are collectively referred to as "Lenders" and individually as "Lender") (Administrative Agent, in such capacity as agent for the Lenders, together with its successors and assigns, the "Mortgagee").

UNOFFICIAL COPY

ARTICLE 1

Definitions; Granting Clauses; Secured Indebtedness

Section 1.1. Principal Secured. This Mortgage secures the aggregate principal amount of One Hundred Five Million Eight Hundred Fifty Thousand Dollars (\$105,850,000.00) plus such additional amounts as Mortgagee and/or Lenders may from time to time advance pursuant to the terms and conditions of this Mortgage and not met by Mortgagor, with respect to an obligation secured by a lien or encumbrance prior to the lien of this Mortgage or for the protection of the lien of this Mortgage, together with interest thereon.

Section 1.2. (a) Definitions. In addition to other terms defined herein, each of the following terms shall have the meaning assigned to it, such definitions to be applicable equally to the singular and the plural forms of such terms and to all genders:

"Debtor Relief Laws" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Loan" means the loan made by Lenders to Mortgagor pursuant to the Loan Agreement and secured hereby.

"Loan Agreement": Loan Agreement dated of even date herewith among Mortgagor, Mortgagee, and the Lenders as it may be from time to time amended, restated, modified, extended or supplemented.

"Mortgagor": DC-505 NORTH RAILROAD AVENUE, LLC, Delaware limited liability company, whose address is c/o Carter Validus Mission Critical REIT, Attn: Lisa Drummond, 4211 W. Boy Scout Boulevard, Suite 500, Tampa, FL 33607, and its permitted successors and assigns.

"Promissory Note": means, singly and collectively, those certain Promissory Notes made by Mortgagor and payable, respectively, to the order of each Lender in the principal face amount of that Lender's "Commitment" (as defined in the Loan Agreement), such Promissory Notes being in the aggregate original principal amount of up to \$105,850,000.00, bearing interest as provided in the Loan Agreement, and containing a provision for, among other things, the payment of attorneys' fees.

"Swap Contract" means any agreement, whether or not in writing, relating to any Swap Transaction, including, unless the context otherwise clearly requires, any form of master agreement published by the International Swaps and Derivatives Association, Inc., or any other master agreement, entered into prior to the date hereof or any time after the date hereof, between Swap Counterparty and Mortgagor (or its Affiliate (as defined in the Loan Agreement)), together with any related schedule and confirmation, as amended, supplemented, superseded or replaced from time to time.

"Swap Counterparty" means a Lender or an Affiliate of a Lender, in its capacity as counterparty under any Swap Contract.

"Swap Transaction" means any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap or option, bond option, note or bill option, interest rate option, forward foreign exchange transaction, cap transaction, collar transaction, floor transaction, currency swap transaction, cross-currency rate swap transaction, swap option, currency option, credit swap or default transaction, T-lock, or any other similar transaction (including any option to enter into the foregoing) or any combination of the foregoing, entered into prior to the date hereof or anytime after the date hereof between Swap

UNOFFICIAL COPY

Counterparty and a Lender (or an Affiliate thereof) so long as a writing, such as a Swap Contract, evidences the parties' intent that such obligations shall be secured by this Mortgage in connection with the Loan.

"Transfer" means any direct or indirect sale, assignment, conveyance or transfer, including any contract of sale and any other contract or agreement to sell, assign, convey or transfer, in whole or in part, whether made voluntarily or by operation of law or otherwise, and whether made with or without consideration.

(b) Any term used or defined in the Illinois Uniform Commercial Code, as in effect from time to time, and not defined in this Mortgage has the meaning given to the term in the Illinois Uniform Commercial Code, as in effect from time to time, when used in this Mortgage.

(c) Any capitalized term used herein and not defined shall have the meaning ascribed to such term in the Loan Agreement.

Section 1.3. Granting Clause. In consideration of the provisions of this Mortgage and the sum of TEN DOLLARS (\$10.00) cash in hand paid and other good and valuable consideration the receipt and sufficiency of which are acknowledged by the Mortgagor, Mortgagor hereby MORTGAGES, WARRANTS, CONVEYS, GRANTS, ASSIGNS, RELEASES, TRANSFERS AND SETS OVER unto Mortgagee, on behalf of the Lenders, the following: (a) the real property described in Exhibit A which is attached hereto and incorporated herein by reference (the "Land") together with: (i) any and all buildings, structures, improvements, alterations or appurtenances now or hereafter situated or to be situated on the Land (collectively the "Improvements"); and (ii) all right, title and interest of Mortgagor, now owned or hereafter acquired, in and to (1) all streets, roads, alleys, easements, right-of-ways, licenses, rights of ingress and egress, vehicle parking rights and public places, existing or proposed, abutting, adjacent, used in connection with or pertaining to the Land or the Improvements; (2) any strips or gores between the Land and abutting or adjacent properties; (3) all options to purchase the Land or the Improvements or any portion thereof or interest therein, and any greater estate in the Land or the Improvements; and (4) all water and water rights, timber, crops and mineral interests on or pertaining to the Land (the Land, Improvements and other rights, titles and interests referred to in this clause (a) being herein sometimes collectively called the "Premises"); (b) all fixtures, equipment, systems, machinery, furniture, furnishings, appliances, inventory, goods, building and construction materials, supplies, and articles of personal property, of every kind and character, tangible and intangible (including software embedded therein), now owned or hereafter acquired by Mortgagor, which are now or hereafter attached to or situated in, on or about the Land or the Improvements, or used in or necessary to the complete and proper planning, development, use, occupancy or operation thereof, or acquired (whether delivered to the Land or stored elsewhere) for use or installation in or on the Land or the Improvements, and all renewals and replacements of, substitutions for and additions to the foregoing (the properties referred to in this clause (b) being herein sometimes collectively called the "Accessories," all of which are hereby declared to be permanent accessions to the Land); (c) all (i) plans and specifications for the Improvements; (ii) Mortgagor's rights, but not liability for any breach by Mortgagor, under all commitments (including any commitments for financing to pay any of the "Secured Indebtedness" as defined below), insurance policies, (or additional or supplemental coverage related thereto, including from an insurance provider meeting the requirements of the Loan Documents or from or through any state or federal government sponsored program or entity), Swap Contracts, contracts and agreements or the design, construction, operation or inspection of the Improvements and other contracts and general intangibles (including but not limited to payment intangibles, trademarks, trade names, goodwill, software and symbols) related to the Premises or the Accessories or the operation thereof; (iii) deposits and deposit accounts arising from or related to any transactions related to the Premises or the Accessories (including but not limited to Mortgagor's rights in tenants' security deposits, deposits with respect to utility services to the Premises, and any deposits, deposit accounts or reserves hereunder or under any other Loan Documents (hereinafter defined) for taxes, insurance or otherwise), rebates or refunds of impact fees or other taxes, assessments or charges, money, accounts, (including deposit accounts) instruments, documents, promissory notes and chattel paper (whether tangible or electronic) arising from or by virtue of any transactions related to the Premises or the Accessories and any account or deposit account from which Mortgagor may from time to time authorize Holder to debit and/or credit payments due with respect to the Loan or any Swap Contract, all rights to the payment of money from Holder under any Swap Contract, and all accounts, deposit accounts and general intangibles including payment intangibles, described in any Swap Contract; (iv) permits, licenses, franchises, certificates, development rights, commitments and rights for utilities, and other

UNOFFICIAL COPY

rights and privileges obtained in connection with the Premises or the Accessories; (v) leases, rents, issues, profits, royalties, bonuses, revenues and other benefits of the Premises and the Accessories (without derogation of Article 3 hereof); (vi) as-extracted collateral produced from or allocated to the Land including, without limitation, oil, gas, and other hydrocarbons and other minerals and all products processed or obtained therefrom, and the proceeds thereof; and (vii) engineering, accounting, title, legal, and other technical or business data concerning the Property which are in the possession of Mortgagor or in which Mortgagor can otherwise grant a security interest; and (d) all (i) accounts and proceeds (cash or non-cash and including payment intangibles) of or arising from the properties, rights, titles and interests referred to above in this Section 1.3, including but not limited to proceeds of any sale, lease or other disposition thereof, proceeds of each policy of insurance (or additional or supplemental coverage related thereto, including from an insurance provider meeting the requirements of the Loan Documents or from or through any state or federal government sponsored program or entity) relating thereto (including premium refunds), proceeds of the taking thereof or of any rights appurtenant thereto, including change of grade of streets, curb cuts or other rights of access, by condemnation, eminent domain or transfer in lieu thereof for public or quasi-public use under any law, and proceeds arising out of any damage thereto; (ii) all letter-of-credit rights (whether or not the letter of credit is evidenced by a writing) Mortgagor now has or hereafter acquires relating to the properties, rights, titles and interests referred to in this Section 1.3; (iii) all commercial tort claims Mortgagor now has or hereafter acquires relating to the properties, rights, titles and interests referred to in this Section 1.3; and (iv) other interests of every kind and character which Mortgagor now has or hereafter acquires in, to or for the benefit of the properties, rights, titles and interests referred to above in this Section 1.3 and all property used or useful in connection therewith, including but not limited to rights of ingress and egress and remainders, reversions and reversionary rights or interests; and if the estate of Mortgagor in any of the property referred to above in this Section 1.3 is a leasehold estate, this conveyance shall include, and the lien and security interest created hereby shall encumber and extend to, all other or additional title, estates, interests or rights which are now owned or may hereafter be acquired by Mortgagor in or to the property demised under the Lease creating the leasehold estate; TO HAVE AND TO HOLD the foregoing rights, interests and properties, and all rights, estates, powers and privileges appurtenant thereto (herein collectively called the "Property"), unto Mortgagee, and its successors and assigns, on behalf of the Lenders, subject to the terms, provisions and conditions herein set forth, to secure the obligations of Mortgagor under the Note and Loan Documents (as hereinafter defined) and all other indebtedness and matters defined as "Secured Indebtedness" in Section 1.5 of this Mortgage, including any and all renewals, or extensions of the whole or any part thereof (and any such renewals or extensions shall not impair in any manner the validity or priority of this Mortgage).

Section 1.4. Security Interest. Mortgagor hereby grants to Mortgagee, on behalf of each Holder (as hereinafter defined), a security interest in all of the Property which constitutes personal property or fixtures, all proceeds and products thereof, and all supporting obligations ancillary to or arising in any way in connection therewith (herein sometimes collectively called the "Collateral") to secure the obligations of Mortgagor under the Promissory Note and Loan Documents and all other indebtedness and matters defined as "Secured Indebtedness" in Section 1.5 of this Mortgage. In addition to its rights hereunder or otherwise, Mortgagee shall have all of the rights of a secured party under the Illinois Uniform Commercial Code, as in effect from time to time, or under the Uniform Commercial Code in force, from time to time, in any other state to the extent the same is applicable law.

Section 1.5. Note, Loan Documents, Other Obligations, Amount Secured. This Mortgage is made to secure and enforce the payment and performance of the following promissory notes, obligations, indebtedness, duties and liabilities and all renewals, extensions, supplements, increases, and modifications thereof in whole or in part from time to time: (a) each Promissory Note and all other promissory notes given in substitution therefor or in modification, supplement, increase, renewal or extension thereof, in whole or in part (such promissory note or promissory notes, whether one or more, as from time to time renewed, extended, supplemented, increased or modified and all other notes given in substitution therefor, or in modification, renewal or extension thereof, in whole or in part, being hereinafter called, singly and collectively, the "Note", and Lenders, or the subsequent holders at the time in question of each Note or any of the Secured Indebtedness, as hereinafter defined, being herein called singly the "Holder" and collectively the "Holders"); (b) all indebtedness, liabilities, duties, covenants, promises and other obligations whether joint or several, direct or indirect, fixed or contingent, liquidated or unliquidated, and the cost of collection of all such amounts, owed by Mortgagor to Mortgagee and/or any Holder now or hereafter incurred or arising pursuant to or permitted by the provisions of the Note, this Mortgage, the Loan Agreement, or any other document now or hereafter evidencing, governing, guaranteeing, securing or otherwise executed in connection with

UNOFFICIAL COPY

the Loan evidenced by the Note, including but not limited to any loan or credit agreement, letter of credit or reimbursement agreement, tri-party financing agreement, any Swap Contracts or other agreement between Mortgagor, Mortgagee, and/or any Holder, or among Mortgagor, Mortgagee, and/or any Holder and any other party or parties, pertaining to the repayment or use of the proceeds of the Loan evidenced by the Note (the Note, this Mortgage, the Loan Agreement, any Swap Contracts and such other documents, as they or any of them may have been or may be from time to time renewed, extended, supplemented, increased or modified, being herein sometimes collectively called the "Loan Documents"); and (c) all other loans and future advances made by Mortgagee and/or any Holder to Mortgagor and all other debts, obligations and liabilities of Mortgagor of every kind and character now or hereafter existing in favor of Mortgagee and/or any Holder, whether direct or indirect, primary or secondary, joint or several, fixed or contingent, secured or unsecured, and whether originally payable to Mortgagee, any Holder or to a third party and subsequently acquired by Mortgagee and/or any Holder, it being contemplated that Mortgagor may hereafter become indebted to Mortgagee and/or Holders for such further debts, obligations and liabilities; provided, however, and notwithstanding the foregoing provisions of this clause (c), this Mortgage shall not secure any such other loan, advance, debt, obligation or liability with respect to which Mortgagee and/or any Holder is by applicable law prohibited from obtaining a lien on real estate nor shall this clause (c) operate or be effective to constitute or require any assumption or payment by any person, in any way, of any debt of any other person to the extent that the same would violate or exceed the limit provided in any applicable usury or other law. The indebtedness referred to in this Section 1.5 is hereinafter referred to as the "Secured Indebtedness" or the "indebtedness secured hereby."

ARTICLE 2

Representations, Warranties and Covenants

Section 2.1. Mortgagor represents, warrants, and covenants as follows:

(a) Payment and Performance. Mortgagor will make due and punctual payment of the Secured Indebtedness. Mortgagor will timely and properly perform and comply with all of the covenants, agreements, and conditions imposed upon it by this Mortgage and the other Loan Documents and will not permit a Default to occur hereunder or thereunder. Time shall be of the essence in this Mortgage.

(b) Title and Permitted Encumbrances. Mortgagor has, in Mortgagor's own right, and Mortgagor covenants to maintain, lawful, good and marketable title to the Property, is lawfully seized and possessed of the Property and every part thereof, and has the right to convey the same, free and clear of all liens, charges, claims, security interests, and encumbrances except for (i) the matters, if any, set forth under the heading "Permitted Encumbrances" in Exhibit B hereto, which are Permitted Encumbrances only to the extent the same are valid and subsisting and affect the Property, (ii) the liens and security interests evidenced by this Mortgage, (iii) statutory liens for real estate taxes and assessments on the Property which are not yet delinquent, and (iv) other liens and security interests (if any) in favor of Mortgagee (the matters described in the foregoing clauses (i), (ii), (iii) and (iv) being herein called the "Permitted Encumbrances"). Mortgagor, and Mortgagor's successors and assigns, will warrant generally and forever defend title to the Property, subject as aforesaid, to Mortgagee and its successors or substitutes and assigns, on behalf of the Holders, against the claims and demands of all persons claiming or to claim the same or any part thereof. Mortgagor will punctually pay, perform, observe and keep all covenants, obligations and conditions in or pursuant to any Permitted Encumbrance and will not modify or permit modification of any Permitted Encumbrance without the prior written consent of Mortgagee. Inclusion of any matter as a Permitted Encumbrance does not constitute approval or waiver by Mortgagee or any Holder of any existing or future violation or other breach thereof by Mortgagor, by the Property or otherwise. No part of the Property constitutes all or any part of the principal residence of Mortgagor if Mortgagor is an individual. If any right or interest of Mortgagee and/or any Holder in the Property or any part thereof shall be endangered or questioned or shall be attacked directly or indirectly, Mortgagee and Holders, or any of them, (whether or not named as parties to legal proceedings with respect thereto), are hereby authorized and empowered to take such steps as in their discretion may be proper for the defense of any such legal proceedings or the protection of such right or interest of Mortgagee and/or such Holder, including but not limited to the employment of independent counsel, the prosecution or defense of litigation, and the

UNOFFICIAL COPY

compromise or discharge of adverse claims. All expenditures so made of every kind and character shall be a demand obligation (which obligation Mortgagor hereby promises to pay) owing by Mortgagor to Mortgagee and/or any such Holder (as the case may be) and the party (Mortgagee or Mortgagee as the case may be) making such expenditures shall be subrogated to all rights of the person receiving such payment.

(c) Taxes and Other Impositions. Mortgagor will pay, or cause to be paid, all taxes, assessments and other charges or levies imposed upon or against or with respect to the Property or the ownership, use, occupancy or enjoyment of any portion thereof, or any utility service thereto, as the same become due and payable, including but not limited to all real estate taxes assessed against the Property or any part thereof, and shall deliver promptly to Mortgagee such evidence of the payment thereof as Mortgagee may require.

(d) Insurance. Mortgagor shall obtain and maintain insurance coverage in accordance with the terms of the Loan Agreement.

(e) Condemnation. Mortgagor shall notify Mortgagee immediately of any threatened or pending proceeding for condemnation affecting the Property or arising out of damage to the Property and Mortgagor shall act in accordance with the terms of the Loan Agreement with respect to any such condition.

(f) Compliance with Legal Requirements. The Property and the use, operation and maintenance thereof and all activities thereon do and shall at all times comply with all applicable Legal Requirements (hereinafter defined). The Property is not, and shall not be, dependent on any other property or premises or any interest therein other than the Property to fulfill any requirement of any Legal Requirement. Mortgagor shall not, by act or omission, permit any building or other improvement not subject to the lien of this Mortgage to rely on the Property or any interest therein to fulfill any requirement of any Legal Requirement. No part of the Property constitutes a nonconforming use under any zoning law or similar law or ordinance. Mortgagor has obtained and shall preserve in force all requisite zoning, utility, building, health, environmental and operating permits from the governmental authorities having jurisdiction over the Property.

If Mortgagor receives a notice or claim from any person that the Property, or any use, activity, operation or maintenance thereof or thereon, is not in compliance with any Legal Requirement, Mortgagor will promptly furnish a copy of such notice or claim to Mortgagee. Mortgagor has received no notice and has no knowledge of any such noncompliance. As used in this Mortgage: (i) the term "Legal Requirement" means any Law (hereinafter defined), agreement, covenant, restriction, easement or condition (including, without limitation of the foregoing, any condition or requirement imposed by any insurance or surety company), as any of the same now exists or may be changed or amended or come into effect in the future; and (ii) the term "Law" means any federal, state or local law, statute, ordinance, code, rule, regulation, license, permit, authorization, decision, order, injunction or decree, domestic or foreign.

(g) Maintenance, Repair and Restoration. Mortgagor will, in accordance with the terms of the Loan Agreement, keep the Property in first class order, repair, operating condition and appearance, causing all necessary repairs, renewals, replacements, additions and improvements to be promptly made, and will not allow any of the Property to be misused, abused or wasted or to deteriorate.

(h) No Other Liens. Except as otherwise permitted by the Loan Agreement, Mortgagor will not, without the prior written consent of Mortgagee, create, place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any deed of trust, mortgage, voluntary or involuntary lien, whether statutory, constitutional or contractual, security interest, encumbrance or charge, or conditional sale or other title retention document, against or covering the Property, or any part thereof, other than the Permitted Encumbrances, regardless of whether the same are expressly or otherwise subordinate to the lien or security interest created in this Mortgage, and should any of the foregoing become attached hereafter in any manner to any part of the Property without the prior written consent of Mortgagee, Mortgagor will cause the same to be promptly discharged and released. Mortgagor will own all parts of the Property and will not acquire any fixtures, equipment or other property (including software embedded therein) forming a part of the Property pursuant to a lease, license, security agreement or similar agreement, whereby any party has or may obtain the right to repossess or

UNOFFICIAL COPY

remove same, without the prior written consent of Mortgagee. If Mortgagee consents to the voluntary grant by Mortgagor of any mortgage, lien, security interest, or other encumbrance (hereinafter called "Subordinate Lien") covering any of the Property or if the foregoing prohibition is determined by a court of competent jurisdiction to be unenforceable as to a Subordinate Lien, any such Subordinate Lien shall contain express covenants to the effect that: (1) the Subordinate Lien is unconditionally subordinate to this Mortgage and all Leases; (2) if any action (whether judicial or pursuant to a power of sale) shall be instituted to foreclose or otherwise enforce the Subordinate Lien, no tenant of any of the Leases shall be named as a party defendant, and no action shall be taken that would terminate any occupancy or tenancy without the prior written consent of Mortgagee; (3) Rents (as hereinafter defined), if collected by or for the holder of the Subordinate Lien, shall be applied first to the payment of the Secured Indebtedness then due and expenses incurred in the ownership, operation and maintenance of the Property in such order as Mortgagee may determine, prior to being applied to any indebtedness secured by the Subordinate Lien; (4) written notice of Default under the Subordinate Lien and written notice of the commencement of any action (whether judicial or pursuant to a power of sale) to foreclose or otherwise enforce the Subordinate Lien or to seek the appointment of a receiver for all or any part of the Property shall be given to Mortgagee with or immediately after the occurrence of any such default or commencement; and (5) neither the holder of the Subordinate Lien, nor any purchaser at foreclosure thereunder, nor anyone claiming by, through or under any of them shall succeed to any of Mortgagor's rights hereunder without the prior written consent of Mortgagee.

(i) Operation of Property. Mortgagor will operate (or cause to be operated) the Property in a good and workmanlike manner, in accordance with all Legal Requirements and otherwise in accordance with the terms of the Loan Agreement and will pay all fees or charges of any kind in connection therewith. Mortgagor will keep the Property occupied so as not to impair the insurance carried thereon. Mortgagor will not use or occupy or conduct any activity on, or allow the use or occupancy of or the conduct of any activity on, the Property in any manner which violates any Legal Requirement or which constitutes a public or private nuisance or which makes void, voidable or cancelable, or increases the premium of, any insurance then in force with respect thereto. Mortgagor will not initiate or permit any zoning reclassification of the Property or seek any variance under existing zoning ordinances applicable to the Property or use or permit the use of the Property in such a manner which would result in such use becoming a nonconforming use under applicable zoning ordinances or other Legal Requirement. Mortgagor will not impose any easement, restrictive covenant or encumbrance upon the Property, execute or file any subdivision plat or condominium declaration affecting the Property or consent to the annexation of the Property to any municipality, without the prior written consent of Mortgagee. Mortgagor will not do or suffer to be done any act whereby the value of any part of the Property may be lessened. Mortgagor will preserve, protect, renew, extend and retain all material rights and privileges granted for or applicable to the Property. Without the prior written consent of Mortgagee, there shall be no drilling or exploration for or extraction, removal or production of any mineral, hydrocarbon, gas, natural element, compound or substance (including sand and gravel) from the surface or subsurface of the Land regardless of the depth thereof or the method of mining or extraction thereof. Mortgagor will cause all debts and liabilities of any character (including without limitation all debts and liabilities for labor, material and equipment (including software embedded therein) and all debts and charges for utilities serving the Property) incurred in the construction, maintenance, operation and development of the Property to be promptly paid.

(j) Financial Matters. Mortgagor is solvent after giving effect to all borrowings contemplated by the Loan Documents and no proceeding under any Debtor Relief Law is pending (or, to Mortgagor's knowledge, threatened) by or against Mortgagor, or any Affiliate of Mortgagor, as a debtor. All reports, statements, plans, budgets, applications, agreements and other data and information heretofore furnished or hereafter to be furnished by or on behalf of Mortgagor to Mortgagee and/or any Holder in connection with the Loan or Loans evidenced by the Loan Documents (including, without limitation, all financial statements and financial information) are and will be true, correct and complete in all material respects as of their respective dates and do not and will not omit to state any fact or circumstance necessary to make the statements contained therein not misleading. No material adverse change has occurred since the dates of such reports, statements and other data in the financial condition of Mortgagor or, to Mortgagor's knowledge, of any tenant under any Lease described therein. For the purposes of this paragraph, "Mortgagor" shall also include any person liable directly or indirectly for the Secured Indebtedness or any part thereof and any joint venturer or general partner of Mortgagor.

(k) Status of Mortgagor; Suits and Claims; Loan Documents. If Mortgagor is a corporation, partnership, limited liability company, or other legal entity, Mortgagor is and will continue to be (i) duly organized,

UNOFFICIAL COPY

validly existing and in good standing under the laws of its state of organization, (ii) authorized to do business in, and in good standing in, each state in which the Property is located, and (iii) possessed of all requisite power and authority to carry on its business and to own and operate the Property. Each Loan Document executed by Mortgagor has been duly authorized, executed and delivered by Mortgagor, and the obligations thereunder and the performance thereof by Mortgagor in accordance with their terms are and will continue to be within Mortgagor's power and authority (without the necessity of joinder or consent of any other person), are not and will not be in contravention of any Legal Requirement or any other document or agreement to which Mortgagor or the Property is subject, and do not and will not result in the creation of any encumbrance against any assets or properties of Mortgagor, or any other person liable, directly or indirectly, for any of the Secured Indebtedness, except as expressly contemplated by the Loan Documents. There is no suit, action, claim, investigation, inquiry, proceeding or demand pending (or, to Mortgagor's knowledge, threatened) against Mortgagor or against any other person liable directly or indirectly for the Secured Indebtedness or which affects the Property (including, without limitation, any which challenges or otherwise pertains to Mortgagor's title to the Property) or the validity, enforceability or priority of any of the Loan Documents. There is no judicial or administrative action, suit or proceeding pending (or, to Mortgagor's knowledge, threatened) against Mortgagor, or against any other person liable directly or indirectly for the Secured Indebtedness, except as has been disclosed in writing to Mortgagee and Holders in connection with the Loan evidenced by the Note. The Loan Documents constitute legal, valid and binding obligations of Mortgagor (and of each guarantor, if any) enforceable in accordance with their terms, except as the enforceability thereof may be limited by Debtor Relief Laws and except as the availability of certain remedies may be limited by general principles of equity. Mortgagor is not a "foreign person" within the meaning of the Internal Revenue Code of 1986, as amended, Sections 1445 and 7701 (i.e. Mortgagor is not a non-resident alien, foreign corporation, foreign partnership, foreign trust or foreign estate as those terms are defined therein and in any regulations promulgated thereunder). The Loan evidenced by the Note is solely for business and/or investment purposes, and is not intended for personal, family, household or agricultural purposes. Mortgagor further warrants that the proceeds of the Note shall be used for commercial purposes and stipulates that the Loan evidenced by the Note shall be construed for all purposes as a commercial loan. Mortgagor's exact legal name is correctly set forth at the end of this Mortgage. If Mortgagor is not an individual, Mortgagor is an organization of the type and (if not an unregistered entity) is incorporated in or organized under the laws of the state specified in the introductory paragraph of this Mortgage. If Mortgagor is an unregistered entity (including, without limitation, a general partnership) it is organized under the laws of the state specified in the introductory paragraph of this Mortgage. Mortgagor will not cause or permit any change to be made in its name, identity (including its trade name or names), or corporate or partnership structure, unless Mortgagor shall have notified Mortgagee in writing of such change at least thirty (30) days prior to the effective date of such change, and shall have first taken all action required by Mortgagee for the purpose of further perfecting or protecting the lien and security interest of Mortgagee in the Property. In addition, Mortgagor shall not change its corporate or partnership structure without first obtaining the prior written consent of Mortgagee. Mortgagor's principal place of business and chief executive office, and the place where Mortgagor keeps its books and records, including recorded data of any kind or nature, regardless of the medium of recording including, without limitation, software, writings, plans, specifications and schematics concerning the Property, has for the preceding four months (or, if less, the entire period of the existence of Mortgagor) been and will continue to be (unless Mortgagor notifies Mortgagee of any change in writing at least thirty (30) days prior to the date of such change) the address of Mortgagor set forth at the end of this Mortgage. Mortgagor's organizational identification number, if any, assigned by the state of incorporation or organization is correctly set forth on the first page of this Mortgage. Mortgagor shall promptly notify Mortgagee (i) of any change of its organizational identification number, or (ii) if Mortgagor does not now have an organization identification number and later obtains one, of such organizational identification number.

(l) Certain Environmental Matters. Mortgagor shall comply with the terms and covenants of that certain Environmental Indemnity Agreement dated of even date herewith (the "Environmental Agreement").

(m) Further Assurances. Mortgagor will, promptly on request of Mortgagee, (i) correct any defect, error or omission which may be discovered in the contents, execution or acknowledgment of this Mortgage or any other Loan Document; (ii) execute, acknowledge, deliver, procure and record and/or file such further documents (including, without limitation, further mortgages, deeds of trust, security agreements and assignments of rents or leases) and do such further acts as may be necessary, desirable or proper to carry out more effectively the purposes of this Mortgage and the other Loan Documents, to more fully identify and subject to the liens and security interests hereof any property intended to be covered hereby (including specifically, but without limitation, any renewals,

UNOFFICIAL COPY

additions, substitutions, replacements, or appurtenances to the Property) or as deemed advisable by Mortgagee to protect the lien or the security interest hereunder against the rights or interests of third persons; and (iii) provide such certificates, documents, reports, information, affidavits and other instruments and do such further acts as may be necessary, desirable or proper in the reasonable determination of Mortgagee to enable Mortgagee and/or any Holder to comply with the requirements or requests of any agency having jurisdiction over Mortgagee and/or any Holder or any examiners of such agencies with respect to the indebtedness secured hereby, Mortgagor or the Property. Mortgagor shall pay all costs connected with any of the foregoing, which shall be a demand obligation owing by Mortgagor (which Mortgagor hereby promises to pay) to Mortgagee pursuant to this Mortgage.

(n) Fees and Expenses. Without limitation of any other provision of this Mortgage or of any other Loan Document and to the extent not prohibited by applicable law, Mortgagor will pay, and will reimburse to Mortgagee on demand to the extent paid by Mortgagee and/or any Holder: (i) all appraisal fees, filing, registration and recording fees, recordation, transfer and other taxes, brokerage fees and commissions, abstract fees, title search and examination fees, title policy and endorsement premiums and fees, uniform commercial code search fees, judgment and tax lien search fees, escrow fees, attorneys' fees, architect fees, engineer fees, construction consultant fees, environmental inspection fees, survey fees, and all other out-of-pocket costs and expenses of every character incurred by Mortgagor or Mortgagee and/or any Holder in connection with the preparation of the Loan Documents, the evaluation, closing and funding of the Loan evidenced by the Loan Documents, and any and all amendments and supplements to this Mortgage, the Note or any other Loan Documents or any approval, consent, waiver, release or other matter requested or required hereunder or thereunder, or otherwise attributable or chargeable to Mortgagor as owner of the Property; and (ii) all costs and expenses, including attorneys' fees and expenses, incurred or expended in connection with the exercise of any right or remedy, or the defense of any right or remedy or the enforcement of any obligation of Mortgagor, hereunder or under any other Loan Document.

(o) Indemnification.

(i) Mortgagor will indemnify and hold harmless Mortgagee and each Holder from and against, and reimburse them on demand for, any and all Indemnified Matters (hereinafter defined). For purposes of this paragraph (o), the terms "Mortgagee" and "Holder" shall include the directors, officers, partners, employees and agents of Mortgagee and each Holder, respectively, and any persons owned or controlled by, owning or controlling, or under common control or affiliated with Mortgagee and each Holder, respectively. Without limitation, the foregoing indemnities shall apply to each indemnified person with respect to matters which in whole or in part are caused by or arise out of the negligence of such (and/or any other) indemnified person. However, such indemnities shall not apply to a particular indemnified person to the extent that the subject of the indemnification is caused by or arises out of the gross negligence or willful misconduct of that indemnified person. Any amount to be paid under this paragraph (p) by Mortgagor to Mortgagee and/or to any Holder shall be a demand obligation owing by Mortgagor (which Mortgagor hereby promises to pay) to Mortgagee pursuant to this Mortgage. Nothing in this paragraph, elsewhere in this Mortgage or in any other Loan Document shall limit or impair any rights or remedies of Mortgagee and/or any Holder (including without limitation any rights of contribution or indemnification) against Mortgagor or any other person under any other provision of this Mortgage, any other Loan Document, any other agreement or any applicable Legal Requirement.

(ii) As used herein, the term "Indemnified Matters" means any and all claims, demands, liabilities, losses, damages, causes of action, judgments, penalties, fines, costs and expenses (including without limitation, reasonable fees and expenses of attorneys and other professional consultants and experts, and of the investigation and defense of any claim, whether or not such claim is ultimately defeated, and the settlement of any claim or judgment including all value paid or given in settlement) of every kind, known or unknown, foreseeable or unforeseeable, which may be imposed upon, asserted against or incurred or paid by Mortgagee and/or any Holder at any time and from time to time, whenever imposed, asserted or incurred, because of, resulting from, in connection with, or arising out of any transaction, act, omission, event or circumstance in any way connected with the Property or with this Mortgage or any other Loan Document, including but not limited to any bodily injury or death or property damage occurring in or upon or in the vicinity of the Property through any cause whatsoever at any time on or before the Release Date (hereinafter defined) any act performed or omitted to be performed hereunder or under any other Loan

UNOFFICIAL COPY

Document, any breach by Mortgagor of any representation, warranty, covenant, agreement or condition contained in this Mortgage or in any other Loan Document, any Default as defined herein, any claim under or with respect to any Lease (hereinafter defined) or arising under the Environmental Agreement. The term "Release Date" as used herein means the earlier of the following two dates: (i) the date on which the indebtedness and obligations secured hereby have been paid and performed in full and this Mortgage has been released, or (ii) the date on which the lien of this Mortgage is fully and finally foreclosed or a conveyance by deed in lieu of such foreclosure is fully and finally effective, and possession of the Property has been given to the purchaser or grantee free of occupancy and claims to occupancy by Mortgagor and Mortgagor's heirs, devisees, representatives, successors and assigns; provided, that if such payment, performance, release, foreclosure or conveyance is challenged, in bankruptcy proceedings or otherwise, the Release Date shall be deemed not to have occurred until such challenge is rejected, dismissed or withdrawn with prejudice. The indemnities in this paragraph (p) shall not terminate upon the Release Date or upon the release, foreclosure or other termination of this Mortgage but will survive the Release Date, foreclosure of this Mortgage or conveyance in lieu of foreclosure, the repayment of the Secured Indebtedness, the termination of any and all Swap Contracts, the discharge and release of this Mortgage and the other Loan Documents, any bankruptcy or other debtor relief proceeding, and any other event whatsoever.

(p) Taxes on Note or Mortgage. Mortgagor will promptly pay all income, franchise and other taxes owing by Mortgagor and any stamp, documentary, recordation and transfer taxes or other taxes (unless such payment by Mortgagor is prohibited by law) which may be required to be paid with respect to the Note, this Mortgage or any other instrument evidencing or securing any of the Secured Indebtedness. In the event of the enactment after this date of any law of any governmental entity applicable to Mortgagee, any Holder, the Note, the Property or this Mortgage deducting from the value of property for the purpose of taxation any lien or security interest thereon, or imposing upon Mortgagee and/or any Holder the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagor, or changing in any way the laws relating to the taxation of deeds of trust or mortgages or security agreements or debts secured by deeds of trust or mortgages or security agreements or the interest of the Mortgagee or secured party in the property covered thereby, or the manner of collection of such taxes, so as to affect this Mortgage or the Secured Indebtedness hereby or Mortgagee and/or any Holder, then, and in any such event, Mortgagor, upon demand by Mortgagee, shall pay such taxes, assessments, charges or liens, or reimburse Mortgagee and/or any such Holder therefor; provided, however, that if in the opinion of counsel for Mortgagee and/or any such Holder (i) it might be unlawful to require Mortgagor to make such payment or (ii) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, Mortgagee may elect, by notice in writing given to Mortgagor, to declare all of the Secured Indebtedness hereby to be and become due and payable sixty (60) days from the giving of such notice.

(q) Statement Concerning Note or Mortgage. Mortgagor shall at any time and from time to time furnish within seven (7) days of request by Mortgagee a written statement in such form as may be required by Mortgagee stating that (i) the Note, this Mortgage and the other Loan Documents are valid and binding obligations of Mortgagor, enforceable against Mortgagor in accordance with their terms; (ii) the unpaid principal balance of the Note; (iii) the date to which interest on the Note is paid; (iv) the Note, this Mortgage and the other Loan Documents have not been released, subordinated or modified; and (v) there are no offsets or defenses against the enforcement of the Note, this Mortgage or any other Loan Document. If any of the foregoing statements are untrue, Mortgagor shall, alternatively, specify the reasons therefor.

Section 2.2. Performance by Holder on Mortgagor's Behalf. Mortgagor agrees that, if Mortgagor fails to perform any act or to take any action which under any Loan Document Mortgagor is required to perform or take, or to pay any money which under any Loan Document Mortgagor is required to pay, and whether or not the failure then constitutes a Default hereunder or thereunder, and whether or not there has occurred any Default or Defaults hereunder or the Secured Indebtedness has been accelerated, Mortgagee, in Mortgagor's name or its own name, on behalf of the Holders, may, but shall not be obligated to, perform or cause to be performed such act or take such action or pay such money, and any expenses so incurred by Mortgagee and/or any Holder and any money so paid by Mortgagee and/or any Holder shall be a demand obligation owing by Mortgagor to Mortgagee (which obligation Mortgagor hereby promises to pay), shall be a part of the indebtedness secured hereby, and Mortgagee, on behalf of

UNOFFICIAL COPY

the Holders, upon making such payment, shall be subrogated to all of the rights of the person, entity or body politic receiving such payment. Mortgagee and its designees shall have the right to enter upon the Property at any time and from time to time for any such purposes. No such payment or performance by Mortgagee and/or any Holder shall waive or cure any Default or waive any right, remedy or recourse of Mortgagee and/or any Holder. Any such payment may be made by Mortgagee and/or any Holder in reliance on any statement, invoice or claim without inquiry into the validity or accuracy thereof. Each amount due and owing by Mortgagor to Mortgagee and/or any Holder pursuant to this Mortgage shall bear interest, from the date such amount becomes due until paid, at the rate per annum provided in the Note for interest on past due principal owed on the Note but never in excess of the maximum nonusurious amount permitted by applicable law, which interest shall be payable to Mortgagee, on behalf of the Holders, respectively, on demand; and all such amounts, together with such interest thereon, shall automatically and without notice be a part of the indebtedness secured hereby. The amount and nature of any expense by Mortgagee and/or any Holder hereunder and the time when paid shall be fully established by the certificate of Mortgagee and/or any Holder or any of Mortgagee's and/or Mortgagee's officers or agents.

Section 2.3. Absence of Obligations of Holder with Respect to Property. Notwithstanding anything in this Mortgage to the contrary, including, without limitation, the definition of "Property" and/or the provisions of Article 3 hereof, (i) to the extent permitted by applicable law, the Property is composed of Mortgagor's rights, title and interests therein but not Mortgagor's obligations, duties or liabilities pertaining thereto, (ii) Mortgagee and the Holders neither assume nor shall have any obligations, duties or liabilities in connection with any portion of the items described in the definition of "Property" herein, either prior to or after obtaining title to such Property, whether by foreclosure sale, the granting of a deed in lieu of foreclosure or otherwise, and (iii) Mortgagee may, at any time prior to or after the acquisition of title to any portion of the Property as above described, advise any party in writing as to the extent of Mortgagee's interest therein and/or expressly disaffirm in writing any rights, interests, obligations, duties and/or liabilities with respect to such Property or matters related thereto. Without limiting the generality of the foregoing, it is understood and agreed that neither Mortgagee nor any Holder shall have any obligations, duties or liabilities prior to or after acquisition of title to any portion of the Property, as lessee under any lease or purchaser or seller under any contract or option unless Mortgagee elects otherwise by written notification.

Section 2.4. Authorization to File Financing Statements; Power of Attorney. Mortgagor hereby authorizes Mortgagee at any time and from time to time to file any initial financing statements, amendments thereto, and continuation statements with or without signature of Mortgagor as authorized by applicable law, as applicable to the Collateral. For purposes of such filings, Mortgagor agrees to furnish any information requested by Mortgagee promptly upon request by Mortgagee. Mortgagor also ratifies its authorization for Mortgagee to have filed any like initial financing statements, amendments thereto or continuation statements if filed prior to the date of this Mortgage. Mortgagor hereby irrevocably constitutes and appoints Mortgagee and any officer or agent of Mortgagee, with full power of substitution, as its true and lawful attorneys-in-fact with full irrevocable power and authority in the place and stead of Mortgagor or in Mortgagor's own name to execute in Mortgagor's name any such documents and to otherwise carry out the purposes of this Section 2.4, to the extent that Mortgagor's authorization above is not sufficient. To the extent permitted by law, Mortgagor hereby ratifies all acts said attorneys-in-fact shall lawfully do, have done in the past or cause to be done in the future by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

ARTICLE 3

Assignment of Rents and Leases

Section 3.1. Assignment. Mortgagor hereby assigns to Mortgagee, on behalf of the Holders, all Rents issues and profits and all of Mortgagor's rights in and under all Leases. So long as no Default (hereinafter defined) has occurred, Mortgagor shall have a license (which license shall terminate automatically and without further notice upon the occurrence of a Default) to collect, but not prior to accrual, the Rents under the Leases and, where applicable, subleases, such Rents to be held in trust for Mortgagee, on behalf of the Holders, and to otherwise deal with all Leases as permitted by this Mortgage. Each month, provided no Default has occurred, Mortgagor may retain such Rents as were collected that month and held in trust for Mortgagee, on behalf of the Holders; provided,

UNOFFICIAL COPY

however, that all Rents collected by Mortgagor shall be applied solely to the ordinary and necessary expenses of owning and operating the Property or paid to Mortgagee. Upon the revocation of such license, all Rents shall be paid directly to Mortgagee and not through Mortgagor, all without the necessity of any further action by Mortgagee and/or any Holder, including, without limitation, any action to obtain possession of the Land, Improvements or any other portion of the Property or any action for the appointment of a receiver. Mortgagor hereby authorizes and directs the tenants under the Leases to pay Rents to Mortgagee upon written demand by Mortgagee, without further consent of Mortgagor, without any obligation of such tenants to determine whether a Default has in fact occurred and regardless of whether Mortgagee has taken possession of any portion of the Property, and the tenants may rely upon any written statement delivered by Mortgagee to the tenants. Any such payments to Mortgagee shall constitute payments to Mortgagor under the Leases, and Mortgagor hereby irrevocably appoints Mortgagee as its attorney-in-fact to do all things, after a Default, which Mortgagor might otherwise do with respect to the Property and the Leases thereon, including, without limitation, (i) collecting Rents with or without suit and applying the same, less expenses of collection, to any of the obligations secured hereunder or to expenses of operating and maintaining the Property (including reasonable reserves for anticipated expenses), at the option of the Mortgagee, all in such manner as may be determined by Mortgagee, or at the option of Mortgagee, holding the same as security for the payment of the Secured Indebtedness, (ii) leasing, in the name of Mortgagor, the whole or any part of the Property which may become vacant, and (iii) employing agents therefor and paying such agents reasonable compensation for their services. The curing of such Default, unless other Defaults also then exist, shall entitle Mortgagor to recover its aforesaid license to do any such things which Mortgagor might otherwise do with respect to the Property and the Leases thereon and to again collect such Rents. The powers and rights granted in this paragraph shall be in addition to the other remedies herein provided for upon the occurrence of a Default and may be exercised independently of or concurrently with any of said remedies. Nothing in the foregoing shall be construed to impose any obligation upon Mortgagee and/or any Holder to exercise any power or right granted in this paragraph or to assume any liability under any Lease of any part of the Property and no liability shall attach to Mortgagee and/or any Holder for failure or inability to collect any Rents under any such Lease. The assignment contained in this Section shall become null and void upon the release of this Mortgage. As used herein: (i) "Lease" means each existing or future lease, sublease (to the extent of Mortgagor's rights thereunder) or other agreement under the terms of which any person has or acquires any right to occupy or use the Property, or any part thereof, or interest therein, and each existing or future guaranty of payment or performance thereunder, and all extensions, renewals, modifications and replacements of each such lease, sublease, agreement or guaranty; and (ii) "Rents" means all of the rents, issues and profits, and all revenue, income, profits and proceeds derived and to be derived from the Property or arising from the use or enjoyment of any portion thereof or from any Lease, including but not limited to the proceeds from any negotiated Lease termination or buyout of such Lease, liquidated damages following default under any such Lease, all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by damage to any part of the Property, all of Mortgagor's rights to recover monetary amounts from any tenant in bankruptcy including, without limitation, rights of recovery for use and occupancy and damage claims arising out of Lease defaults, including rejections, under any applicable Debtor Relief Law, together with any sums of money that may now or at any time hereafter be or become due and payable to Mortgagor by virtue of any and all royalties, overriding royalties, bonuses, delay rentals and any other amount of any kind or character arising under any and all present and all future oil, gas, mineral and mining Leases covering the Property or any part thereof, and all proceeds and other amounts paid or owing to Mortgagor under or pursuant to any and all contracts and bonds relating to the construction or renovation of the Property.

Section 3.2. Covenants, Representations and Warranties Concerning Leases and Rents. Mortgagor covenants, represents and warrants that: (a) Mortgagor has good title to, and is the owner of the entire landlord's interest in, the Leases and Rents hereby assigned and authority to assign them; (b) all Leases are valid and enforceable, and in full force and effect, and are unmodified except as stated therein; (c) neither Mortgagor nor any tenant in the Property is in default under its Lease (and no event has occurred which with the passage of time or notice or both would result in a default under its Lease) or is the subject of any bankruptcy, insolvency or similar proceeding, and Mortgagor shall deliver to Mortgagee written notice of any default or event of default under any Lease which is not cured within any applicable notice and/or cure period; (d) unless otherwise stated in a Permitted Encumbrance, no Rents or Leases have been or will be assigned, mortgaged, pledged or otherwise encumbered and no other person has or will acquire any right, title or interest in such Rents or Leases; (e) no Rents have been waived, released, discounted, set off or compromised; (f) except as stated in the Leases, Mortgagor has not received any funds or deposits from any tenant for which credit has not already been made on account of accrued Rents; (g)

UNOFFICIAL COPY

Mortgagor shall perform all of its material obligations under the Leases and enforce the tenants' obligations under the Leases to the extent enforcement is prudent under the circumstances; (h) except as otherwise permitted under the Loan Agreement, Mortgagor will not without the prior written consent of Mortgagee, enter into any Lease after the date hereof, or waive, release, discount, set off, compromise, reduce or defer any Rent, receive or collect Rents more than one (1) month in advance, grant any rent-free period to any tenant, reduce any Lease term or waive, release or otherwise modify any other material obligation under any Lease, renew or extend any Lease except in accordance with a right of the tenant thereto in such Lease, approve or consent to an assignment of a Lease or a subletting of any part of the premises covered by a Lease, or settle or compromise any claim against a tenant under a Lease in bankruptcy or otherwise; (i) Mortgagor will not, without the prior written consent of Mortgagee, terminate or consent to the cancellation or surrender of any Lease having an unexpired term of one (1) year or more; (j) Mortgagor will not execute any Lease except in accordance with the Loan Agreement; (k) Mortgagor shall give prompt notice to Mortgagee, as soon as Mortgagor first obtains notice, of any claim, or the commencement of any action, by any tenant or subtenant under or with respect to a Lease regarding any claimed damage, default, diminution of or offset against Rent, cancellation of the Lease, or constructive eviction, excluding, however, notices of default under residential Leases, and Mortgagor shall defend, at Mortgagor's expense, any proceeding pertaining to any Lease, including, if Mortgagee so requests, any such proceeding to which Mortgagee and/or any Holder is a party; (l) Mortgagor shall as often as requested by Mortgagee, within ten (10) days of each request, deliver to Mortgagee a complete rent roll of the Property in such detail as Mortgagee may require and financial statements of the tenants, subtenants and guarantors under the Leases to the extent available to Mortgagor, and deliver to such of the tenants and others obligated under the Leases specified by Mortgagee written notice of the assignment in Section 3.1 hereof in form and content satisfactory to Mortgagee; (m) promptly upon request by Mortgagee, Mortgagor shall deliver to Mortgagee executed originals of all Leases and copies of all records relating thereto; (n) there shall be no merger of the leasehold estates created by the Leases, with the fee estate of the Land without the prior written consent of Mortgagee; and (o) Mortgagee may at any time and from time to time by specific written instrument intended for the purpose, unilaterally subordinate the lien of this Mortgage to any Lease, without joinder or consent of, or notice to, Mortgagor, any tenant or any other person, and notice is hereby given to each tenant under a Lease of such right to subordinate. No such subordination shall constitute a subordination to any lien or other encumbrance, whenever arising, or improve the right of any junior lienholder; and nothing herein shall be construed as subordinating this Mortgage to any Lease.

Section 3.3. [Intentionally Omitted].

Section 3.4. No Liability of Holder. Mortgagee's acceptance of this assignment shall not be deemed to constitute Mortgagee and/or any Holder a "mortgagee in possession," nor obligate Mortgagee and/or any Holder to appear in or defend any proceeding relating to any Lease or to the Property, or to take any action hereunder, expend any money, incur any expenses, or perform any obligation or liability under any Lease, or assume any obligation for any deposit delivered to Mortgagor by any tenant and not as such delivered to and accepted by Mortgagee. Neither Mortgagee nor any Holder shall be liable for any injury or damage to person or property in or about the Property, or for Mortgagee's failure to collect or to exercise diligence in collecting Rents, but shall be accountable only for Rents that it shall actually receive. Neither the assignment of Leases and Rents nor enforcement of Mortgagee's rights regarding Leases and Rents (including collection of Rents) nor possession of the Property by Mortgagee nor Mortgagee's consent to or approval of any Lease (nor all of the same), shall render Mortgagee and/or any Holder liable on any obligation under or with respect to any Lease or constitute affirmation of, or any subordination to, any Lease, occupancy, use or option.

If Mortgagee seeks or obtains any judicial relief regarding Rents or Leases, the same shall in no way prevent the concurrent or subsequent employment of any other appropriate rights or remedies nor shall same constitute an election of judicial relief for any foreclosure or any other purpose. Mortgagee and Holders neither have nor assume any obligations as lessor or landlord with respect to any Lease. The rights of Mortgagee under this Article 3 shall be cumulative of all other rights of Mortgagee and/or Holders under the Loan Documents or otherwise.

ARTICLE 4

Default

UNOFFICIAL COPY

Section 4.1. Events of Default. The occurrence of any one of the following shall be a default under this Mortgage ("Default"):

(a) Failure to Pay Indebtedness. Any of the Secured Indebtedness is not paid when due (following any applicable notice and/or cure periods provided in the applicable Loan Document(s)), regardless of how such amount may have become due.

(b) Nonperformance of Covenants. Any covenant, agreement or condition herein (other than covenants otherwise addressed in another paragraph of this Section, such as covenants to pay the Secured Indebtedness) is not fully and timely performed, observed or kept, and remains so for a period of thirty (30) days after written notice to Mortgagor unless (a) such failure, by its nature, is not capable of being cured within such period, and (b) within such period, Mortgagor commences to cure such failure and thereafter diligently prosecutes the cure thereof, and (c) Mortgagor causes such failure to be cured no later than ninety (90) days after the date of such notice.

(c) Default Under Other Loan Documents. The occurrence of a default under any other Loan Document which is not cured within the applicable grace period (if any) provided therein, including an Early Termination Event as defined in any Swap Contract.

(d) Representations. Any statement, representation or warranty in any of the Loan Documents, or in any financial statement or any other writing heretofore or hereafter delivered to Mortgagee and/or any Holder in connection with the Secured Indebtedness is false, misleading or erroneous in any material respect on the date hereof or on the date as of which such statement, representation or warranty is made.

(e) Transfers. Any Transfer occurs with respect to all or any part of the Property or any interest therein, except for: (i) sales or transfers of items or the Accessories which have become obsolete or worn beyond practical use and which have been replaced by adequate substitutes owned by Grantor, having a value equal to or greater than the replaced items when new; (ii) the grant, in the ordinary course of business, of a leasehold interest in a part of the Improvements to a tenant for occupancy, not containing a right or option to purchase and not in contravention of any provision of this Mortgage or of any other Loan Document and (iii) Permitted Transfers. Mortgagee may, in its sole discretion, waive a Default under this clause (e), but it shall have no obligation to do so. Any waiver will be conditioned upon the grantee's integrity, reputation, character, creditworthiness and management ability being satisfactory to Mortgagee in its sole judgment, and may also be conditioned upon such one or more of the following, if any, that Mortgagee may require: the execution by the grantee of a written assumption agreement prior to such Transfer containing such terms as Mortgagee may require; the receipt by Mortgagee and Lenders of a principal paydown on each Note; the receipt by Mortgagee and Lenders of an assumption fee; the reimbursement of all of the expenses incurred by Mortgagee and Lenders in connection with such Transfer including attorneys' fees; and any modification of the Loan Documents as Holder may require, including an increase in the rate of interest payable under the Loan and/or a modification of the terms of the Loan. NOTICE - THE DEBT SECURED HEREBY IS SUBJECT TO CALL IN FULL AND ANY AND ALL SWAP CONTRACTS ARE SUBJECT TO TERMINATION OR THE TERMS THEREOF BEING MODIFIED IN THE EVENT OF SALE OR CONVEYANCE OF THE PROPERTY CONVEYED.

(f) Grant of Easement, Etc. Without the prior written consent of Mortgagee, Mortgagor grants any easement or dedication, files any plat, condominium declaration, or restriction, or otherwise encumbers the Property, or seeks or permits any zoning reclassification or variance, unless such action is expressly permitted by the Loan Documents or does not affect the Property.

(g) Abandonment. The owner of the Property abandons any of the Property.

(h) Default Under Other Lien. A default or event of default occurs under any lien, security interest or assignment covering the Property or any part thereof (whether or not Mortgagee has consented, and without hereby implying Mortgagee's consent, to any such lien, security interest or assignment not created

UNOFFICIAL COPY

hereunder), or the holder of any such lien, security interest or assignment declares a default or institutes foreclosure or other proceedings for the enforcement of its remedies thereunder.

(i) Destruction. The Property is so demolished, destroyed or damaged that, in the reasonable opinion of Mortgagee, it cannot be restored or rebuilt with available funds to a profitable condition within a reasonable period of time and in any event, prior to the final maturity date of the Note.

(j) Condemnation. (i) Any governmental authority shall require, or commence any proceeding for, the demolition of any building or structure comprising a part of the Property, or (ii) there is commenced any proceeding to condemn or otherwise take pursuant to the power of eminent domain, or a contract for sale or a conveyance in lieu of such a taking is executed which provides for the transfer of, a material portion of the Premises, including but not limited to the taking (or transfer in lieu thereof) of any portion which would result in the blockage or substantial impairment of access or utility service to the Improvements or which would cause the Premises to fail to comply with any Legal Requirement.

(k) Liquidation, Etc. The liquidation, termination, dissolution, merger, consolidation or failure to maintain good standing in the State of Illinois and/or the state of incorporation or organization, if different (or in the case of an individual, the death or legal incapacity) of the Mortgagor, any owner of the Property or any person obligated to pay any part of the Secured Indebtedness.

(l) Lease Performance. Mortgagor fails duly to perform its obligations under any Lease, and such failure is not cured within the grace period, if any, provided in the Lease.

(m) Enforceability; Priority. Any Loan Document shall for any reason without Mortgagee's specific written consent cease to be in full force and effect, or shall be declared null and void or unenforceable in whole or in part, or the validity or enforceability thereof, in whole or in part, shall be challenged or denied by any party thereto other than Mortgagee; or the liens, mortgages or security interests of Mortgagee and/or any Holder in any of the Property become unenforceable in whole or in part or cease to be of the priority herein required, or the validity or enforceability thereof, in whole or in part, shall be challenged or denied by Mortgagor or any person obligated to pay any part of the Secured Indebtedness.

Section 4.2. Notice and Cure. If any provision of this Mortgage or any other Loan Document provides for Mortgagee and/or any Holder to give to Mortgagor any notice regarding a Default or incipient Default, then if Mortgagee and/or such Holder shall fail to give such notice to Mortgagor as provided, the sole and exclusive remedy of Mortgagor for such failure shall be to seek appropriate equitable relief to enforce the agreement to give such notice and to have any acceleration of the maturity of the Note and the Secured Indebtedness postponed or revoked and foreclosure proceedings in connection therewith delayed or terminated pending or upon the curing of such Default in the manner and during the period of time permitted by such agreement, if any, and Mortgagor shall have no right to damages or any other type of relief not herein specifically set out against Mortgagee and/or such Holder, all of which damages or other relief are hereby waived by Mortgagor. Nothing herein or in any other Loan Document shall operate or be construed to add on or make cumulative any cure or grace periods specified in any of the Loan Documents.

ARTICLE 5

Remedies

Section 5.1. Certain Remedies. If a Default shall occur, Mortgagee may without the consent of, and shall at the direction of the Required Lenders as may be applicable, exercise any one or more of the following remedies, without notice (unless notice is required by applicable statute):

(a) Acceleration. Mortgagee may at any time and from time to time declare any or all of the Secured Indebtedness immediately due and payable and may terminate any and all Swap Contracts. Upon any such

UNOFFICIAL COPY

declaration, such Secured Indebtedness shall thereupon be immediately due and payable, and such Swap Contracts shall immediately terminate, without presentment, demand, protest, notice of protest, notice of acceleration or of intention to accelerate or any other notice or declaration of any kind, all of which are hereby expressly waived by Mortgagor.

(b) Enforcement of Assignment of Rents. In addition to the rights of Mortgagee under Article 3 hereof, prior or subsequent to taking possession of any portion of the Property or taking any action with respect to such possession, Mortgagee may: (1) collect and/or sue for the Rents in Mortgagee's own name, give receipts and releases therefor, and after deducting all expenses of collection, including attorneys' fees and expenses, apply the net proceeds thereof to the Secured Indebtedness in such manner and order as Mortgagee may elect and/or to the operation and management of the Property, including the payment of management, brokerage and attorney's fees and expenses; and (2) require Mortgagor to transfer all security deposits and records thereof to Mortgagee together with original counterparts of the Leases.

(c) Foreclosure and Other Remedies.

(i) Foreclosure. If a Default has occurred hereunder, or when the indebtedness hereby secured, or any part thereof, shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for such indebtedness or part thereof and pursue all remedies afforded to a mortgagee under and pursuant to the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101 et seq., as amended from time to time (the "Act").

(ii) Receiver. Upon, or at any time prior or after, the filing of any complaint to foreclose the lien of this Mortgage or instituting any other foreclosure of the liens and security interests provided for in this Mortgage or any other legal proceedings under this Mortgage, Mortgagee may, at Mortgagee's sole option, make application to a court of competent jurisdiction for appointment of a receiver pursuant to Section 15-1702 of the Act to all or any part of the Property, as a matter of strict right and without notice to Mortgagor, and Mortgagor does hereby irrevocably consent to such appointment, waives any and all notices of and defenses to such appointment and agrees not to oppose any application therefor by Mortgagee, but nothing herein is construed to deprive Mortgagee of any other right, remedy or privilege Mortgagee may now have under the law to have a receiver appointed; provided that the appointment of such receiver, trustee or other appointee by virtue of any court order, statute or regulation shall not impair or in any manner prejudice the rights of Mortgagee to receive payment of all of the Rents, issues, deposits and profits pursuant to other terms and provisions set forth in this Mortgage. Such appointment may be made either before or after sale, without notice; without regard to the solvency or insolvency, at the time of application for such receiver, of the person or persons, if any, liable for the payment of the Secured Indebtedness; without regard to the value of the Property at such time and whether or not the same is then occupied as a homestead; without bond being required of the applicant; and Mortgagee hereunder or any employee or agent thereof may be appointed as such receiver. Such receiver shall have all powers and duties prescribed by Section 15-1704 of the Act, including the power to take possession, control and care of the Property and to collect all Rents, issues, deposits, profits and avails thereof during the pendency of such foreclosure suit and apply all funds received toward the Secured Indebtedness, and in the event of a sale and a deficiency where Mortgagor has not waived its statutory rights of redemption, during the full statutory period of redemption, as well as during any further times when Mortgagor or its administrators, legal representatives, successors or assigns, except for the intervention of such receiver, would be entitled to collect such Rents, issues, deposits, profits and avails, and shall have all other powers that may be necessary or useful in such cases for the protection, possession, control, management and operation of the Property during the whole of any such period. To the extent permitted by law, such receiver may extend or modify any then existing Leases and make new Leases of the Property or any part thereof, which extensions, modifications and new Leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the Note, it being understood and agreed that any such Leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Property are subject to the lien hereof, and upon the purchaser or purchasers at any such foreclosure sale, notwithstanding any

UNOFFICIAL COPY

redemption from sale, discharge of indebtedness, satisfaction of foreclosure decree or issuance of certificate of sale or deed to any purchaser.

(iii) Mortgagee in Possession. In any case in which under the provisions of this Mortgage Mortgagee has a right to institute foreclosure proceedings, whether before or after the whole principal sum secured hereby is declared to be immediately due as aforesaid, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after judgment thereunder, and at all times until confirmation of sale, Mortgagor shall forthwith, upon demand of Mortgagee, surrender to Mortgagee and Mortgagee shall be entitled to take and upon Mortgagee's request to the court to be placed in actual possession of, Mortgagee shall be placed in possession of the Property or any part thereof, personally, or by its agent or attorneys as provided in Subsections (b)(2) and (c) of Section 1701 of the Act. In such event Mortgagee in its discretion may, with or without force and with or without process of law, enter upon and take and maintain or may apply to the court in which a foreclosure is pending to be placed in possession of all or any part of said Property, together with all documents, books, records, papers and accounts of Mortgagor or then owner of the Property relating thereto, and may exclude Mortgagor, its agents or servants, wholly therefrom and may, as attorney in fact or agent of Mortgagor, or in its own name as Mortgagee and under the powers herein granted, hold, operate, manage and control the Property and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, Rents, issues, and profits of the Property, including actions for the recovery of rent, actions in forcible detainer and actions in distress for Rent, and with full power: (a) to cancel or terminate any Lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same; (b) to elect to disaffirm any Lease or sublease which is then subordinate to the lien hereof; (c) to extend or modify any then existing Leases and to make new Leases, which extensions, modifications and new Leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such Leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Property are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the Mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; (d) to enter into any management, leasing or brokerage agreements covering the Property; (e) to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Property as to it may seem judicious; (f) to insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof; and (g) to receive all of such avails, Rents, issues and profits; hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without notice to Mortgagor. Without limiting the generality of the foregoing provisions of this Section, Mortgagee shall also have all power, authority and duties as provided in Section 15-1703 of the Act.

(iv) Protective Advances. All advances, disbursements and expenditures (collectively "advances") made by Mortgagee and/or any Holder before and during foreclosure, prior to sale, and where applicable, after sale, for the following purposes, including interest thereon at any increased rate provided for in the Note, are hereinafter referred to as "Protective Advances" and shall constitute additional indebtedness hereunder and shall be secured by the lien hereof:

(A) any amount for restoration or rebuilding in excess of the actual or estimated proceeds of insurance or condemnation award for the purpose of such repair or replacement;

(B) advances in accordance with the terms of this Mortgage to: (i) protect, preserve or restore the Property; (ii) preserve the lien of this Mortgage or the priority thereof; or (iii) enforce this Mortgage, as referred to in Subsection (b)(5) of Section 15-1302 of the Act;

UNOFFICIAL COPY

(C) payments of (i) when due installments of principal, interest or other obligations in accordance with the terms of any Prior Encumbrance (as hereinafter defined); (ii) when due installments of real estate taxes and other impositions; (iii) other obligations authorized by this Mortgage; or (iv) with court approval any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, all as referred to in Section 15-1505 of the Act;

(D) attorneys' fees and other costs incurred in connection with the foreclosure of this Mortgage as referred to in Sections 1504(d)(2) and 15-1510 of the Act and in connection with any other litigation or administrative proceeding to which the Mortgagee and/or any Holder may be or become or be threatened or contemplated to be a party, including probate and bankruptcy proceedings, or in the preparation for the commencement or defense of any such suit or proceeding; including filing fees, appraisers' fees, outlays for documents and expert evidence, witness fees, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of judgment) of procuring all such abstracts of title, title charges and examinations, foreclosure minutes, title insurance policies, appraisals, and similar data and assurances with respect to title and value as Mortgagee may deem reasonably necessary either to prosecute or defend such suit or, in case of foreclosure, to evidence to bidders at any sale which may be had pursuant to the foreclosure judgment the true condition of the title to or the value of the Property;

(E) Mortgagee's (and any applicable Holder's) fees and costs arising between the entry of judgment of foreclosure and the confirmation hearing as referred to in Subsection (b)(1) of Section 15-1508 of the Act;

(F) payment by Mortgagee and/or any Holder of impositions as required of Mortgagor by this Mortgage;

(G) Mortgagee's and/or any Holder's advances of any amount required to make up a deficiency in deposits for installments of impositions, as may be required of Mortgagor under this Mortgage;

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

(I) expenses incurred and expenditures made by Mortgagee and/or any Holder for any one or more of the following: (1) if any of the Property consists of an interest in 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; (2) premiums upon casualty and liability insurance made by Mortgagee and/or any Holder whether or not Mortgagee or a receiver is in possession, if reasonably required, without regard to the limitation to maintaining of insurance in effect at the time any receiver or Mortgagee takes possession of the Property imposed by Subsection (c)(1) of Section 15-1704 of the Act; (3) payments required or deemed by Mortgagee to be for the benefit of the Property or required to be made by the owner of the Property under any grant or declaration of easement, easement agreement, reciprocal easement agreement, agreement with any adjoining land owners or other instruments creating covenants or restrictions for the benefit of or affecting the Property; (4) shared or common expense assessments payable to any association or corporation in which the owner of the premises is a member in any way affecting the Property; (5) operating deficits incurred by Mortgagee in possession or reimbursed by Mortgagee and/or any Holder to any receiver; (6) fees and costs incurred to obtain an environmental assessment report relating to the Property; and (7) any monies expended in excess of the face amount of the Note.

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

UNOFFICIAL COPY

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

- (A) determination of the amount of indebtedness secured by this Mortgage at any time;
- (B) the indebtedness found due and owing to the Mortgagee and/or any Holder in the judgment of foreclosure and any subsequent amendment of such judgment, supplemental judgments, orders, adjudications or findings by the court of any additional indebtedness becoming due after entry of such judgment, it being hereby agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose;
- (C) determination of amounts deductible from sale proceeds pursuant to Section 15-1512 of the Act;
- (D) determination of the application of income in the hands of any receiver or mortgagee in possession; and
- (E) computation of any deficiency judgment pursuant to Subsections (b)(2) and (c) of Section 15-1508 and Section 15-1511 of the Act.

All moneys paid for Protective Advances or any of the other purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other moneys advanced by Mortgagee and/or any Holder to protect the Property and the lien hereof, shall be so much additional indebtedness secured hereby, and shall become immediately due and payable without notice and with interest thereon at the increased rate provided for in the Note. Inaction of Mortgagee and/or of any Holder shall never be considered as a waiver of any right accruing to it on account of any Default on the part of Mortgagor.

Should the proceeds of the Note or any part thereof, or any amount paid out or advanced hereunder by Mortgagee and/or any Holder, be used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any senior mortgage (as described in Subsection (1) of Section 15-1505 of the Act) or any other lien or encumbrance upon the Property or any part thereof on a parity with or prior or superior to the lien hereof ("Prior Encumbrance"), then as additional security hereunder for the Mortgagee, on behalf of the Holders, shall be subrogated to any and all rights, equal or superior titles, liens and equities, owned or claimed by any owner or holder of said outstanding liens, charges and indebtedness, however remote, regardless of whether said liens, charges and indebtedness are acquired by assignment or have been released of record by the holder thereof upon payment.

(v) Waivers and Other Matters.

(A) Mortgagor acknowledges that the Property does not constitute agricultural real estate, as said term is defined in Section 15-1201 of the Act or residential real estate as defined in Section 15-1219 of the Act. Mortgagor hereby waives any and all rights of to reinstatement and redemption from sale under any judgment of foreclosure of this Mortgage on behalf of Mortgagor and on behalf of each and every person acquiring any interest in or title to the Property of any nature whatsoever, subsequent to the date of this Mortgage. The foregoing waiver of all rights to reinstatement and redemption is made pursuant to the provisions of Section 15-1601(b) of the Act.

(B) At all times, regardless of whether any Loan proceeds have been disbursed, this Mortgage secures (in addition to the amounts secured hereby) the payment of any and all loan commissions, service charges, liquidated damages, expenses and advances due to or incurred by Mortgagee and/or any Holder in connection with the indebtedness secured hereby; provided, however, that

UNOFFICIAL COPY

in no event shall the total amount secured hereby exceed two hundred percent (200%) of the aggregate face amount of the Note.

(C) At the option of Mortgagee, this Mortgage shall become subject and subordinate, in whole or in part (but not with respect to priority of entitlement to insurance proceeds or any condemnation proceeds), to any and all leases of all or any part of the Property upon the execution by Mortgagee and recording thereof, at any time hereafter in the appropriate official records of the County wherein the Property is situated, of a unilateral declaration to that effect.

(d) Uniform Commercial Code. Without limitation of Mortgagee's rights of enforcement with respect to the Collateral or any part thereof in accordance with the procedures for foreclosure of real estate, Mortgagee may exercise its rights of enforcement with respect to the Collateral or any part thereof under the Illinois Uniform Commercial Code, as in effect from time to time (or under the Uniform Commercial Code in force, from time to time, in any other state to the extent the same is applicable law) and in conjunction with, in addition to or in substitution for those rights and remedies: (1) Mortgagee may enter upon Mortgagor's premises to take possession of, assemble and collect the Collateral or, to the extent and for those items of the Collateral permitted under applicable law, to render it unusable; (2) Mortgagee may require Mortgagor to assemble the Collateral and make it available at a place Mortgagee designates which is mutually convenient to allow Mortgagee to take possession or dispose of the Collateral; (3) written notice mailed to Mortgagor as provided herein at least five (5) days prior to the date of public sale of the Collateral or prior to the date after which private sale of the Collateral will be made shall constitute reasonable notice; provided that, if Mortgagee fails to comply with this clause (3) in any respect, its liability for such failure shall be limited to the liability (if any) imposed on it as a matter of law under the Illinois Uniform Commercial Code, as in effect from time to time (or under the Uniform Commercial Code, in force from time to time, in any other state to the extent the same is applicable law); (4) in the event of a foreclosure sale, whether made by Mortgagee under the terms hereof, or under judgment of a court, the Collateral and the other Property may, at the option of Mortgagee, be sold as a whole; (5) it shall not be necessary that Mortgagee or any Holder take possession of the Collateral or any part thereof prior to the time that any sale pursuant to the provisions of this Section is conducted and it shall not be necessary that the Collateral or any part thereof be present at the location of such sale; (6) with respect to application of proceeds from disposition of the Collateral under Section 5.2 hereof, the costs and expenses incident to disposition shall include the reasonable expenses of retaking, holding, preparing for sale or lease, selling, leasing and the like and the reasonable attorneys' fees and legal expenses including, without limitation, the allocated costs for in-house legal services incurred by Mortgagee and/or any Holder; (7) any and all statements of fact or other recitals made in any bill of sale or assignment or other instrument evidencing any foreclosure sale hereunder as to nonpayment of the Secured Indebtedness or as to the occurrence of any Default, or as to Mortgagee and/or Holders having declared all of such indebtedness to be due and payable, or as to notice of time, place and terms of sale and of the properties to be sold having been duly given, or as to any other act or thing having been duly done by Mortgagee and/or any Holder, shall be taken as prima facie evidence of the truth of the facts so stated and recited; (8) Mortgagee may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Mortgagee, including the sending of notices and the conduct of the sale, but in the name and on behalf of Mortgagee; (9) Mortgagee may comply with any applicable state or federal law or regulatory requirements in connection with a disposition of the Collateral, and such compliance will not be considered to affect adversely the commercial reasonableness of any sale of the Collateral; (10) Mortgagee may sell the Collateral without giving any warranties as to the Collateral and specifically disclaim any warranties of title, merchantability, fitness for a specific purpose or the like and this procedure will not be considered to affect adversely the commercial reasonableness any sale of the Collateral; (11) Mortgagor acknowledges that a private sale of the Collateral may result in less proceeds than a public sale; and (12) Mortgagor acknowledges that the Collateral may be sold at a loss to Mortgagor, and that, in such event, Mortgagor shall have no liability or responsibility to Mortgagee for such loss.

(e) Lawsuits. Mortgagee may proceed by a suit or suits in equity or at law, whether for collection of the indebtedness secured hereby, the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, or for any foreclosure hereunder or for the sale of the Property under the judgment or decree of any court or courts of competent jurisdiction.

UNOFFICIAL COPY

(f) Entry on Property. Mortgagee is authorized, prior or subsequent to the institution of any foreclosure proceedings, to the fullest extent permitted by applicable law, to enter upon the Property, or any part thereof, and to take possession of the Property and all books and records, and all recorded data of any kind or nature, regardless of the medium of recording including, without limitation, all software, writings, plans, specifications and schematics relating thereto, and to exercise without interference from Mortgagor any and all rights which Mortgagor has with respect to the management, possession, operation, protection or preservation of the Property. Neither Mortgagee nor any Holder shall be deemed to have taken possession of the Property or any part thereof except upon the exercise of its right to do so, and then only to the extent evidenced by its demand and overt act specifically for such purpose. All costs, expenses and liabilities of every character incurred by Mortgagee and/or any Holder in managing, operating, maintaining, protecting or preserving the Property shall constitute a demand obligation of Mortgagor (which obligation Mortgagor hereby promises to pay) to Mortgagee pursuant to this Mortgage. If necessary to obtain the possession provided for above, Mortgagee may invoke any and all legal remedies to dispossess Mortgagor. In connection with any action taken by Mortgagee and/or any Holder pursuant to this Section, neither Mortgagee nor any Holder shall be liable for any loss sustained by Mortgagor resulting from any failure to let the Property or any part thereof, or from any act or omission of Mortgagee and/or any Holder in managing the Property unless such loss is caused by the willful misconduct and bad faith of Mortgagee and/or of such Holder, nor shall Mortgagee and/or any Holder be obligated to perform or discharge any obligation, duty or liability of Mortgagor arising under any Lease or other agreement relating to the Property or arising under any Permitted Encumbrance or otherwise arising. Mortgagor hereby assents to, ratifies and confirms any and all actions of Mortgagee and/or any Holder with respect to the Property taken under this Section.

(g) Termination of Commitment to Lend. Mortgagee and Holders, respectively, may terminate any commitment or obligation to lend or disburse funds under any Loan Document.

(h) Other Rights and Remedies. Mortgagee and Holders, respectively, may exercise any and all other rights and remedies which Mortgagee and/or Holders may have under the Loan Documents, or at law or in equity or otherwise.

Section 5.2. Proceeds of Foreclosure. The proceeds of any foreclosure sale of the Property shall be distributed and applied in accordance with the provisions of Subsection (c) of Section 15-1512 of the Act. The judgment of foreclosure or order confirming the sale shall provide (after application pursuant to Subsections (a) and (b) of said Section 15-1512) for application of sale proceeds in the following order of priority: first, all items not covered by the provisions of said Subsections (a) and (b), which under the terms hereof constitute Secured Indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; and second, all principal and interest remaining unpaid on the Note.

Section 5.3. Foreclosure as to Matured Debt. Upon the occurrence of a Default, Mortgagee shall have the right to proceed with foreclosure of the liens and security interests hereunder without declaring (or having the Holders declare) the entire Secured Indebtedness due, and in such event any such foreclosure sale may be made subject to the unmatured part of the Secured Indebtedness; and any such sale shall not in any manner affect the unmatured part of the Secured Indebtedness, but as to such unmatured part this Mortgage shall remain in full force and effect just as though no sale had been made. The proceeds of such sale shall be applied as provided in Section 5.2. Several sales may be made hereunder without exhausting the right of sale for any unmatured part of the Secured Indebtedness.

Section 5.4. Remedies Cumulative. All rights and remedies provided for herein and in any other Loan Document are cumulative of each other and of any and all other rights and remedies existing at law or in equity, and Mortgagee and Holders, respectively, shall, in addition to the rights and remedies provided herein or in any other Loan Document, be entitled to avail itself of all such other rights and remedies as may now or hereafter exist at law or in equity for the collection of the Secured Indebtedness and the enforcement of the covenants herein and the foreclosure of the liens and security interests evidenced hereby, and the resort to any right or remedy provided for hereunder or under any such other Loan Document or provided for by law or in equity shall not prevent the concurrent or subsequent employment of any other appropriate right or rights or remedy or remedies.

UNOFFICIAL COPY

Section 5.5. Discretion as to Security. Mortgagee, on behalf of the Holders, may resort to any security given by this Mortgage or to any other security now existing or hereafter given to secure the payment of the Secured Indebtedness, in whole or in part, and in such portions and in such order as may seem best to Mortgagee in its sole and uncontrolled discretion, and any such action shall not in anywise be considered as a waiver of any of the rights, benefits, liens or security interests evidenced by this Mortgage.

Section 5.6. Mortgagor's Waiver of Certain Rights. To the full extent Mortgagor may do so, Mortgagor agrees that Mortgagor will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay, extension or redemption, homestead, moratorium, reinstatement, marshaling or forbearance, and Mortgagor, for Mortgagor, Mortgagor's heirs, devisees, representatives, successors and assigns, and for any and all persons ever claiming any interest in the Property, to the extent permitted by applicable law, hereby waives and releases all rights of redemption, valuation, appraisal, stay of execution, notice of intention to mature or declare due the whole of the Secured Indebtedness, notice of election to mature or declare due the whole of the Secured Indebtedness and all rights to a marshaling of assets of Mortgagor, including the Property, or to a sale in inverse order of alienation in the event of foreclosure of the liens and/or security interests hereby created. Mortgagor shall not have or assert any right under any statute or rule of law pertaining to the marshaling of assets, sale in inverse order of alienation, the exemption of homestead, the administration of estates of decedents, or other matters whatsoever to defeat, reduce or affect the right of Mortgagee and/or any Holder under the terms of this Mortgage to a sale of the Property for the collection of the Secured Indebtedness without any prior or different resort for collection, or the right of Mortgagee and/or any Holder under the terms of this Mortgage to the payment of the Secured Indebtedness out of the proceeds of sale of the Property in preference to every other claimant whatsoever. Mortgagor waives any right or remedy which Mortgagor may have or be able to assert pursuant to any provision of Illinois law pertaining to the rights and remedies of sureties. If any law referred to in this Section and now in force, of which Mortgagor or Mortgagor's heirs, devisees, representatives, successors or assigns or any other persons claiming any interest in the Property might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this Section.

ARTICLE 6

Miscellaneous

Section 6.1. Scope of Mortgage. This Mortgage is a mortgage of both real and personal property, a security agreement, an assignment of rents and leases, a financing statement and fixture filing and a collateral assignment, and also covers proceeds and fixtures.

Section 6.2. Fixture Financing Statement. From the date of its recording, this Mortgage shall be effective as a fixture financing statement within the purview of Section 9-502(b) of the Uniform Commercial Code of the State with respect to the Collateral and all replacements of such property, all substitutions for such property, additions to such property, and the proceeds thereof. The addresses of Mortgagor (Debtor) and Mortgagee (Secured Party) are set forth below. This Mortgage is to be filed for recording with the Recorder of Deeds of the county or the counties where the Property is located. For this purpose, the following information is set forth:

(a) Name and Address of Debtor:

DC-505 NORTH RAILROAD AVENUE, LLC
 c/o Carter/Validus Operating Partnership, LP
 Attn: Lisa Drummond
 4211 W. Boy Scout Boulevard, Suite 500
 Tampa, FL 33607
 Fax: 813-287-039

(b) Name and Address of Secured Party:

UNOFFICIAL COPY

Bank of America, N.A., as Administrative Agent
 100 North Tryon Street
 NC1-007-11-15,
 Charlotte, NC 28255
 Attention: Commercial Real Estate Banking Group

- (c) This document covers goods which are or are to become fixtures.
- (d) Debtor is the record owner of the Property.
- (e) Debtor's chief executive office is located in the State of Florida.
- (f) Debtor's state of formation is Delaware.
- (g) Debtor's exact legal name is as set forth in the first paragraph of this Mortgage.
- (h) Debtor's organizational identification number is 5518077 (DE).
- (i) Debtor agrees that:

(i) Where Collateral is in possession of a third party, Mortgagor will join with Mortgagee in notifying the third party of Mortgagee's interest and obtaining an acknowledgment from the third party that it is holding such Collateral for the benefit of Mortgagee;

(ii) Mortgagor will cooperate with Mortgagee in obtaining control with respect to Collateral consisting of: deposit accounts, investment property, letter of credit rights and electronic chattel paper; and

(iii) Until the Secured Indebtedness are paid in full, Mortgagor will not change the state where it is located or change its company name without giving Mortgagee at least thirty (30) days prior written notice in each instance.

Section 6.3. Security Agreement and Financing Statement. This Mortgage constitutes a security agreement from Mortgagor to Mortgagee under the Uniform Commercial Code of the State. This Mortgage shall also be effective as a financing statement with respect to any other Property as to which a security interest may be perfected by the filing of a financing statement and may be filed as such in any appropriate filing or recording office. The respective mailing addresses of Mortgagor and Mortgagee are set forth in the opening paragraph of this Mortgage. A carbon, photographic or other reproduction of this Mortgage or any other financing statement relating to this Mortgage shall be sufficient as a financing statement for any of the purposes referred to in this Section. Mortgagor hereby irrevocably authorizes Mortgagee at any time and from time to time to file any initial financing statements, amendments thereto and continuation statements as authorized by applicable Law, reasonably required by Mortgagee to establish or maintain the validity, perfection and priority of the security interests granted in this Mortgage. The foregoing authorization includes Mortgagor's irrevocable authorization for Mortgagee at any time and from time to time to file any initial financing statements and amendments thereto that indicate the Accessories (a) as "all assets" of Mortgagor or words of similar effect, regardless of whether any particular asset comprised in the Accessories falls within the scope of the Uniform Commercial Code of the State or the jurisdiction where the initial financing statement or amendment is filed, or (b) as being of an equal or lesser scope or with greater detail.

Section 6.4. Notice to Account Debtors. In addition to the rights granted elsewhere in this Mortgage, Mortgagee may at any time notify the account debtors or obligors of any accounts, chattel paper, general intangibles, negotiable instruments or other evidences of indebtedness included in the Collateral to pay Mortgagee directly.

Section 6.5. Waiver by Mortgagee. Mortgagee may at any time and from time to time by a specific writing intended for the purpose: (a) waive compliance by Mortgagor with any covenant herein made by Mortgagor

UNOFFICIAL COPY

to the extent and in the manner specified in such writing; (b) consent to Mortgagor's doing any act which hereunder Mortgagor is prohibited from doing, or to Mortgagor's failing to do any act which hereunder Mortgagor is required to do, to the extent and in the manner specified in such writing; (c) release any part of the Property or any interest therein from the lien and security interest of this Mortgage, or (d) release any party liable, either directly or indirectly, for the Secured Indebtedness or for any covenant herein or in any other Loan Document, without impairing or releasing the liability of any other party. No such act shall in any way affect the rights or powers of Mortgagee and/or any Holder hereunder except to the extent specifically agreed to by Mortgagee in such writing.

Section 6.6. No Impairment of Security. The lien, security interest and other security rights of Mortgagee and/or any Holder hereunder or under any other Loan Document shall not be impaired by any indulgence, moratorium or release granted by Mortgagee including, but not limited to, any renewal, extension or modification which Mortgagee and/or any Holder may grant with respect to any Secured Indebtedness, or any surrender, compromise, release, renewal, extension, exchange or substitution which Mortgagee and/or any Holder may grant in respect of the Property, or any part thereof or any interest therein, or any release or indulgence granted to any endorser, guarantor or surety of any Secured Indebtedness. The taking of additional security by Mortgagee and/or any Holder shall not release or impair the lien, security interest or other security rights of Mortgagee and/or any Holder hereunder or affect the liability of Mortgagor or of any endorser, guarantor or surety, or improve the right of any junior lienholder in the Property (without implying hereby Mortgagee's consent to any junior lien).

Section 6.7. Acts Not Constituting Waiver by Mortgagee. Mortgagee may waive any Default without waiving any other prior or subsequent Default. Mortgagee may remedy any Default without waiving the Default remedied. Neither failure by Mortgagee and/or any Holder to exercise, nor delay by Mortgagee and/or any Holder in exercising, nor discontinuance of the exercise of any right, power or remedy (including but not limited to the right to accelerate the maturity of the Secured Indebtedness or any part thereof) upon or after any Default shall be construed as a waiver of such Default or as a waiver of the right to exercise any such right, power or remedy at a later date. No single or partial exercise by Mortgagee and/or any Holder of any right, power or remedy hereunder shall exhaust the same or shall preclude any other or further exercise thereof and every such right, power or remedy hereunder may be exercised at any time and from time to time. No modification or waiver of any provision hereof nor consent to any departure by Mortgagor therefrom shall in any event be effective unless the same shall be in writing and signed by Mortgagee and then such waiver or consent shall be effective only in the specific instance, for the purpose for which given and to the extent therein specified. No notice to nor demand on Mortgagor in any case shall of itself entitle Mortgagor to any other or further notice or demand in similar or other circumstances. Remittances in payment of any part of the Secured Indebtedness other than in the required amount in immediately available U.S. funds shall not, regardless of any receipt or credit issued therefor, constitute payment until the required amount is actually received by Mortgagee in immediately available U.S. funds and shall be made and accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Mortgagee and/or any Holder of any payment in an amount less than the amount then due on any Secured Indebtedness shall be deemed an acceptance on account only and shall not in any way excuse the existence of a Default hereunder notwithstanding any notation on or accompanying such partial payment to the contrary.

Section 6.8. Mortgagor's Successors. If the ownership of the Property or any part thereof becomes vested in a person other than Mortgagor, Mortgagee may, without notice to Mortgagor, deal with such successor or successors in interest with reference to this Mortgage and to the Secured Indebtedness hereby in the same manner as with Mortgagor, without in any way vitiating or discharging Mortgagor's liability hereunder or for the payment of the indebtedness or performance of the obligations secured hereby. No transfer of the Property, no forbearance on the part of Mortgagee and/or any Holder, and no extension of the time for the payment of the Secured Indebtedness hereby given by Mortgagee and/or any Holder shall operate to release, discharge, modify, change or affect, in whole or in part, the liability of Mortgagor hereunder for the payment of the indebtedness or performance of the obligations secured hereby or the liability of any other person hereunder for the payment of the indebtedness secured hereby. Each Mortgagor agrees that it shall be bound by any modification of this Mortgage or any of the other Loan Documents made by Mortgagee and/or any Holder and any subsequent owner of the Property, with or without notice to such Mortgagor, and no such modifications shall impair the obligations of such Mortgagor under this Mortgage or any other Loan Document. Nothing in this Section or elsewhere in this Mortgage shall be construed to imply Mortgagee's consent to any transfer of the Property.

UNOFFICIAL COPY

Section 6.9. Place of Payment; Forum; Waiver of Jury Trial. All Secured Indebtedness which may be owing hereunder at any time by Mortgagor shall be payable at the place designated in the Note (or if no such designation is made, at the address of Mortgagee indicated at the end of this Mortgage). Mortgagor hereby irrevocably submits generally and unconditionally for itself and in respect of its property to the non-exclusive jurisdiction of any Illinois state court, or any United States federal court, sitting in the county in which the Secured Indebtedness is payable, and to the non-exclusive jurisdiction of any state or United States federal court sitting in the state in which any of the Property is located, over any suit, action or proceeding arising out of or relating to this Mortgage or the Secured Indebtedness. Mortgagor hereby irrevocably waives, to the fullest extent permitted by law, any objection that Mortgagor may now or hereafter have to the laying of venue in any such court and any claim that any such court is an inconvenient forum. Nothing herein shall affect the right of Mortgagee and/or any Holder to serve process in any manner permitted by law or limit the right of Mortgagee and/or any Holder to bring proceedings against Mortgagor in any other court or jurisdiction. TO THE FULLEST EXTENT PERMITTED BY LAW, MORTGAGOR WAIVES THE RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY ACTION, SUIT OR OTHER PROCEEDING ARISING OUT OF OR RELATING TO THIS MORTGAGE OR ANY OTHER LOAN DOCUMENT.

Section 6.10. Subrogation to Existing Liens. To the extent that proceeds of the Note are used to pay indebtedness secured by any outstanding lien, security interest, charge or prior encumbrance against the Property, such proceeds have been advanced by Mortgagee and/or Holders at Mortgagor's request, and Mortgagee, on behalf of the Holders, shall be subrogated to any and all rights, security interests and liens owned by any owner or holder of such outstanding liens, security interests, charges or encumbrances, however remote, irrespective of whether said liens, security interests, charges or encumbrances are released, and all of the same are recognized as valid and subsisting and are renewed and continued and merged herein to secure the Secured Indebtedness, but the terms and provisions of this Mortgage shall govern and control the manner and terms of enforcement of the liens, security interests, charges and encumbrances to which Mortgagee, on behalf of the Holders, is subrogated hereunder. It is expressly understood that, in consideration of the payment of such indebtedness by Mortgagee and/or any Holder, Mortgagor hereby waives and releases all demands and causes of action for offsets and payments in connection with the said indebtedness.

Section 6.11. Application of Payments to Certain Indebtedness. If any part of the Secured Indebtedness cannot be lawfully secured by this Mortgage or if any part of the Property cannot be lawfully subject to the lien and security interest hereof to the full extent of such indebtedness, then all payments made shall be applied on said indebtedness first in discharge of that portion thereof which is not secured by this Mortgage.

Section 6.12. Nature of Loan; Compliance with Usury Laws. The Loan evidenced by the Note is being made solely for the purpose of carrying on or acquiring a business or commercial enterprise. It is the intent of Mortgagor, Mortgagee, Holders, and all other parties to the Loan Documents to conform to and contract in strict compliance with applicable usury law from time to time in effect. All agreements between Mortgagee, Holders, and Mortgagor (or any other party liable with respect to any indebtedness under the Loan Documents) are hereby limited by the provisions of this Section which shall override and control all such agreements, whether now existing or hereafter arising. In no way, nor in any event or contingency (including but not limited to prepayment, Default, demand for payment, or acceleration of the maturity of any obligation), shall the interest taken, reserved, contracted for, charged, chargeable, or received under this Mortgage, the Note or any other Loan Document or otherwise, exceed the maximum nonusurious amount permitted by applicable law (the "Maximum Amount"). If, from any possible construction of any document, interest would otherwise be payable in excess of the Maximum Amount, any such construction shall be subject to the provisions of this Section and such document shall ipso facto be automatically reformed and the interest payable shall be automatically reduced to the Maximum Amount, without the necessity of execution of any amendment or new document. If Mortgagee and/or any Holder shall ever receive anything of value which is characterized as interest under applicable law and which would apart from this provision be in excess of the Maximum Amount, an amount equal to the amount which would have been excessive interest shall, without penalty, be applied to the reduction of the principal amount owing on the Secured Indebtedness in the inverse order of its maturity and not to the payment of interest, or refunded to Mortgagor or the other payor thereof if and to the extent such amount which would have been excessive exceeds such unpaid principal. The right to accelerate maturity of the Note or any other Secured Indebtedness does not include the right to accelerate any

UNOFFICIAL COPY

interest which has not otherwise accrued on the date of such acceleration, and neither Mortgagee nor any Holder intends to charge or receive any unearned interest in the event of acceleration. All interest paid or agreed to be paid to Mortgagee and/or any Holder shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full stated term (including any renewal or extension) of such indebtedness so that the amount of interest on account of such indebtedness does not exceed the Maximum Amount. As used in this Section, the term "applicable law" shall mean the laws of the State of Illinois or the federal laws of the United States applicable to this transaction, whichever laws allow the greater interest, as such laws now exist or may be changed or amended or come into effect in the future.

Section 6.13. Releases.

(a) Release of Mortgage. If all of the Secured Indebtedness be paid as the same becomes due and payable and all of the covenants, warranties, undertakings and agreements made in this Mortgage are kept and performed, and all Swap Contracts and all other obligations, if any, of Mortgagee and/or each Holder for further advances have been terminated, then, and in that event only, all rights under this Mortgage shall terminate (except to the extent expressly provided herein with respect to indemnifications, representations and warranties and other rights which are to continue following the release hereof) and the Property shall become wholly clear of the liens, security interests, conveyances and assignments evidenced hereby, and such liens and security interests shall be released by Mortgagee in due form at Mortgagee's cost. Without limitation, all provisions herein for indemnity of Mortgagee and/or Holders shall survive discharge of the Secured Indebtedness, the termination of any and all Swap Contracts and any foreclosure, release or termination of this Mortgage.

(b) Partial Releases; No Release in Default. Partial releases, if any, of the lien of this Mortgage shall be made in accordance with such terms and conditions as may subsequently be agreed to by Mortgagee in its discretion. In any event, no partial release shall be sought, requested or required if any Default has occurred which has not been cured.

(c) Effect of Partial Release. Mortgagee may, regardless of consideration, cause the release of any part of the Property from the lien of this Mortgage without in any manner affecting or impairing the lien or priority of this Mortgage as to the remainder of the Property.

Section 6.14. Notices. All notices, requests, consents, demands and other communications required or which any party desires to give hereunder or under any other Loan Document shall be in writing and, unless otherwise specifically provided in such other Loan Document, shall be deemed sufficiently given or furnished if delivered by personal delivery, by nationally recognized overnight courier service, or by registered or certified United States mail, postage prepaid, addressed to the party to whom directed at the addresses specified in this Mortgage (unless changed by similar notice in writing given by the particular party whose address is to be changed) or by telegram, telex or facsimile. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of nationally recognized overnight courier service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of telegram, telex or facsimile, upon receipt. Notwithstanding the foregoing, no notice of change of address shall be effective except upon receipt. This Section shall not be construed in any way to affect or impair any waiver of notice or demand provided in any Loan Document or to require giving of notice or demand to or upon any person in any situation or for any reason.

Section 6.15. Invalidity of Certain Provisions. A determination that any provision of this Mortgage is unenforceable or invalid shall not affect the enforceability or validity of any other provision and the determination that the application of any provision of this Mortgage to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to other persons or circumstances.

Section 6.16. Gender; Titles; Construction. Within this Mortgage, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires. Titles appearing at the beginning of any subdivisions hereof are for convenience only, do not constitute any part of such subdivisions, and shall be disregarded in construing the

UNOFFICIAL COPY

language contained in such subdivisions. The use of the words "herein," "hereof," "hereunder" and other similar compounds of the word "here" shall refer to this entire Mortgage and not to any particular Article, Section, paragraph or provision. The term "person" and words importing persons as used in this Mortgage shall include firms, associations, partnerships (including limited partnerships), joint ventures, trusts, corporations, limited liability companies and other legal entities, including public or governmental bodies, agencies or instrumentalities, as well as natural persons.

Section 6.17. Reporting Compliance. Mortgagor agrees to comply with any and all reporting requirements applicable to the transaction evidenced by the Note and secured by this Mortgage which are set forth in any law, statute, ordinance, rule, regulation, order or determination of any governmental authority, including but not limited to The International Investment Survey Act of 1976, The Agricultural Foreign Investment Disclosure Act of 1978, The Foreign Investment in Real Property Tax Act of 1980 and the Tax Reform Act of 1986 and further agrees upon request of Mortgagee to furnish Mortgagee with evidence of such compliance.

Section 6.18. Mortgagee's Consent. Except where otherwise expressly provided herein, in any instance hereunder where the approval, consent or the exercise of judgment of Mortgagee is required or requested, (a) the granting or denial of such approval or consent and the exercise of such judgment shall be within the sole discretion of Mortgagee, and Mortgagee shall not, for any reason or to any extent, be required to grant such approval or consent or exercise such judgment in any particular manner, regardless of the reasonableness of either the request or Mortgagee's judgment, and (b) no approval or consent of Mortgagee shall be deemed to have been given except by a specific writing intended for the purpose and executed by an authorized representative of Mortgagee.

Section 6.19. Mortgagor. Unless the context clearly indicates otherwise, as used in this Mortgage, "Mortgagor" means the Mortgagors named in Section 1.1 hereof or any of them. The obligations of Mortgagor hereunder shall be joint and several. If any Mortgagor, or any signatory who signs on behalf of any Mortgagor, is a corporation, partnership or other legal entity, Mortgagor and any such signatory, and the person or persons signing for it, represent and warrant to Mortgagee and Holders that this instrument is executed, acknowledged and delivered by Mortgagor's duly authorized representatives. If Mortgagor is an individual, no power of attorney granted by Mortgagor herein shall terminate on Mortgagor's disability.

Section 6.20. Execution; Recording. This Mortgage has been executed in several counterparts, all of which are identical, and all of which counterparts together shall constitute one and the same instrument. The date or dates reflected in the acknowledgments hereto indicate the date or dates of actual execution of this Mortgage, but such execution is as of the date shown on the first page hereof, and for purposes of identification and reference the date of this Mortgage shall be deemed to be the date reflected on the first page hereof. Mortgagor will cause this Mortgage and all amendments and supplements thereto and substitutions therefor and all financing statements and continuation statements relating thereto to be recorded, filed, re-recorded and refiled in such manner and in such places as Mortgagee shall reasonably request and will pay all such recording, filing, re-recording and re-filing taxes, fees and other charges.

Section 6.21. Successors and Assigns. The terms, provisions, covenants and conditions hereof shall be binding upon Mortgagor, and the heirs, devisees, representatives, successors and assigns of Mortgagor, and shall inure to the benefit of Mortgagee, on behalf of the Holders, and shall constitute covenants running with the Land. All references in this Mortgage to Mortgagor shall be deemed to include all such heirs, devisees, representatives, successors and assigns of Mortgagor.

Section 6.22. Modification or Termination. The Loan Documents may only be modified or terminated by a written instrument or instruments intended for that purpose and executed by the party against which enforcement of the modification or termination is asserted. Any alleged modification or termination which is not so documented shall not be effective as to any party.

Section 6.23. No Partnership, Etc. The relationship between Mortgagee and Mortgagor is solely that of mortgagee and mortgagor. Neither Mortgagee nor any Holder has any fiduciary or other special relationship with Mortgagor. Nothing contained in the Loan Documents is intended to create any partnership, joint venture,

UNOFFICIAL COPY

association or special relationship between Mortgagor, Mortgagee and/or any Holder or in any way make Mortgagee and/or any Holder a co-principal with Mortgagor with reference to the Property. All agreed contractual duties between or among Mortgagee and/or any Holder and, Mortgagor are set forth herein and in the other Loan Documents and any additional implied covenants or duties are hereby disclaimed. Any inferences to the contrary of any of the foregoing are hereby expressly negated.

Section 6.24. Applicable Law. THIS MORTGAGE, AND ITS VALIDITY, ENFORCEMENT AND INTERPRETATION, SHALL BE GOVERNED BY AND CONSTRUED, INTERPRETED AND ENFORCED IN ACCORDANCE WITH AND PURSUANT TO THE LAWS OF THE STATE OF ILLINOIS (WITHOUT REGARD TO ANY CONFLICT OF LAWS PRINCIPLES) AND APPLICABLE UNITED STATES FEDERAL LAW, EXCEPT AS OTHERWISE REQUIRED BY MANDATORY PROVISIONS OF LAW AND EXCEPT TO THE EXTENT THAT REMEDIES PROVIDED BY THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF ILLINOIS ARE GOVERNED BY THE LAWS OF SUCH OTHER JURISDICTION.

Section 6.25. Use of Proceeds. Mortgagor represents and warrants to Mortgagee and Holders (a) that the proceeds of the Note secured by this Mortgage will be used for the purposes specified in 815 ILCS 205/4(1)(c) (or any substitute, amended or replacement statute), and that the Secured Indebtedness constitutes a business loan which comes within the purview of said 815 ILCS 205/4(1)(c), and (b) that the Loan evidenced by the Note is an exempted transaction under the Truth In Lending Act, 15 U.S.C. §1601 et seq.

Section 6.26. Other Amounts Secured; Maximum Indebtedness. Mortgagor acknowledges and agrees that this Mortgage secures the entire principal amount of the Note and interest accrued thereon, regardless of whether any or all of the Loan proceeds are disbursed on or after the date hereof, and regardless of whether the outstanding principal is repaid in whole or part or are future advances made at a later date, any and all litigation and other expenses and any other amounts as provided herein or in any of the other Loan Documents, including, without limitation, the payment of any and all Loan commissions, service charges, liquidated damages, expenses and advances due to or paid or incurred by Mortgagee and/or any Holder in connection with the Loan, all in accordance with the Loan commitment issued in connection with this transaction and the Loan Documents. Under no circumstances, however, shall the total indebtedness secured hereby exceed Two Hundred Million and No/100 Dollars (\$200,000,000.00). It is agreed that any future advances made by Mortgagee and/or any Holder for the benefit of Mortgagor from time to time under this Mortgage or the other Loan Documents and whether or not such advances are obligatory or are made at the option of Mortgagee and/or any Holder, made at any time from and after the date of this Mortgage, and all interest accruing thereon, shall be equally secured by this Mortgage and shall have the same priority as all amounts, if any, advanced as of the date hereof and shall be subject to all of the terms and provisions of this Mortgage. This Mortgage shall be valid and have priority to the extent of the full amount of the Secured Indebtedness over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Property given priority by law.

Section 6.27. Adjustable Mortgage Loan Provision. The Note which this Mortgage secures is an adjustable note on which the interest rate may be adjusted from time to time in accordance with the terms and provisions set forth in the Note.

Section 6.28. Deed in Trust. If title to the Property or any part thereof is now or hereafter becomes vested in a trustee, any prohibition or restriction contained herein against the creation of any lien on the Property shall be construed as a similar prohibition or restriction against the creation of any lien on or security interest in the beneficial interest of such trust.

Section 6.29. Collateral Protection Act. Unless Mortgagor provides Mortgagee with evidence of the insurance required by this Mortgage or any other Loan Document, Mortgagee, on behalf of Holders, may purchase insurance at Mortgagor's expense to protect Mortgagee's interest in the Property or any other collateral for the Secured Indebtedness. This insurance may, but need not, protect Mortgagor's interests. The coverage Mortgagee purchases may not pay any claim that Mortgagor makes or any claim that is made against Mortgagor in connection with the Property or any other collateral for the Secured Indebtedness. Mortgagor may later cancel any insurance purchased by Mortgagee, but only after providing Mortgagee with evidence that Mortgagor has obtained insurance

UNOFFICIAL COPY

as required under this Mortgage or any other Loan Document. If Mortgagee purchases insurance for the Property or any other collateral for the Secured Indebtedness, Mortgagor shall be responsible for the costs of that insurance, including interest in any other charges that Mortgagee may lawfully impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the Secured Indebtedness. The costs of the insurance may be more than the cost of insurance that Mortgagor may be able to obtain on its own. For purposes of the Illinois Collateral Protection Act, 815 ILCS 180/1 et seq., Mortgagor hereby acknowledges Mortgagee's right pursuant to this Section to obtain collateral protection insurance.

Section 6.30. Forbidden Entity. Mortgagor hereby certifies that it is not a "forbidden entity" as that term is defined in Section 22.6 of the Illinois Deposit of State Moneys Act, 15 ILCS 520/22.6; Public Act 094-0079.

Section 6.31. Rights of Tenants. Mortgagee shall have the right and option to commence a civil action to foreclose this Mortgage and to obtain a decree of foreclosure and sale subject to the rights of any tenant or tenants of the Premises having an interest in the Premises prior to that of Mortgagee. The failure to join any such tenant or tenants of the Premises as party defendant or defendants in any such civil action or the failure of any decree of foreclosure and sale to foreclose their rights shall not be asserted by Mortgagor as a defense in any civil action instituted to collect the Secured Indebtedness, or any part thereof or any deficiency remaining unpaid after foreclosure and sale of the Premises, any statute or rule of law at any time existing to the contrary notwithstanding.

Section 6.32. Entire Agreement. The Loan Documents constitute the entire understanding and agreement between Mortgagor, Mortgagee, and Holders with respect to the transactions arising in connection with the Secured Indebtedness hereby and supersede all prior written or oral understandings and agreements between Mortgagor, Mortgagee, and Holders with respect to the matters addressed in the Loan Documents. Mortgagor hereby acknowledges that, except as incorporated in writing in the Loan Documents, there are not, and were not, and no persons are or were authorized by Mortgagee and/or any Holder to make, any representations, understandings, stipulations, agreements or promises, oral or written, with respect to the matters addressed in the Loan Documents.

UNOFFICIAL COPY

IN WITNESS WHEREOF, Mortgagor has executed this instrument as of the date first written on page 1 hereof.

Mortgagor's Address for Notices:

Carter/Validus Operating Partnership, LP
Attn: Lisa Drummond
4211 W. Boy Scout Boulevard, Suite 500
Tampa, FL 33607
Fax: 813-287-039

Borrower's Federal Tax Identification Number:

37-1755198

Borrower's Organizational Identification Number:

5518097

MORTGAGOR:

DC-505 NORTH RAILROAD AVENUE, LLC,
a Delaware limited liability company

By: Carter/Validus Operating Partnership, LP
a Delaware limited partnership, Its Sole Member

By: Carter Validus Mission Critical REIT, Inc.,
a Maryland corporation, Its General Partner

By: [Signature] [SEAL]
Name: John E. Carter
Its: Chief Executive Officer

ACKNOWLEDGMENT:

STATE OF Florida

COUNTY OF Hillsborough, TO WIT:

The undersigned, being a notary public for the State and County aforesaid, does hereby certify that on this 20th day of August, 2014, before me, personally appeared John E. Carter, who, under oath, acknowledged himself/herself to be Chief Executive Officer of Carter Validus Mission Critical REIT, Inc., a Maryland corporation, the general partner of Carter/Validus Operating Partnership, LP a Delaware limited partnership, the sole member of DC-505 North Railroad Avenue, LLC, a Delaware limited liability company, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he/she executed the same for the purposes therein contained as the duly authorized Chief Executive Officer of said corporation by signing the name of the corporation by himself/herself as Chief Executive Officer (on behalf of said limited liability company, as the general partner of its sole member).

WITNESS my hand and Notarial Seal.

[Signature]
Notary Public

My Commission Expires:



LISETE L. COLLADO
MY COMMISSION # FF 055312
EXPIRES: October 19, 2017
Bonded Thru Budget Notary Services

UNOFFICIAL COPY**EXHIBIT A****LAND****[Legal Description]****PARCEL 1:**

LOT 1 IN NORTHLAKE BUSINESS PARK, BEING A SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

NON-EXCLUSIVE EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY THE ACCESS AND SIGNAGE EASEMENT AGREEMENT RECORDED JULY 11, 2001 AS DOCUMENT 0010614059 AND AMENDED BY DOCUMENT 0810022023 AND AS RELOCATED PURSUANT TO EASEMENT GRANT RECORDED AS DOCUMENT NUMBER 1131144053, FOR INGRESS AND EGRESS OVER AND UPON AN EASEMENT AREA ALONG THE SOUTH LINE OF LOT 2 IN AFORESAID NORTHLAKE BUSINESS PARK SUBDIVISION AND OVER AND UPON AN EASEMENT AREA ALONG THE EAST LINE OF LOT 4 IN NORTHLAKE BUSINESS CAMPUS RESUBDIVISION, AS SHOWN ON EXHIBITS F, H, I, J AND K ATTACHED THERETO.

PARCEL 3:

NON-EXCLUSIVE EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY THE UTILITY EASEMENT AGREEMENT AND OPTION FOR STORMWATER MANAGEMENT EASEMENT RECORDED JULY 11, 2001 AS DOCUMENT 0010614060 AND AS AMENDED BY FIRST AMENDMENT RECORDED NOVEMBER 27, 2001 AS DOCUMENT 0011110644, FOR THE PURPOSES OF OPERATING, REPAIRING, MAINTAINING AND REPLACING; A SINGLE EXISTING WATER LINE, STORMWATER DRAINAGE LINES, ELECTRIC LINES AND PUBLIC UTILITIES AND RELATED APPURTENANCES, OVER AND UPON THAT PART OF LOT 2 IN NORTHLAKE BUSINESS PARK SUBDIVISION AFORESAID AND LOTS 3 AND 4 IN NORTHLAKE BUSINESS CAMPUS SUBDIVISION AS SHOWN ON EXHIBITS D, E, F, G, H, I, J AND K ATTACHED THERETO.

PARCEL 4:

EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY THE FINAL PLAT OF RESUBDIVISION FOR NORTHLAKE BUSINESS PARK RECORDED AS DOCUMENT 0010613545 FOR INGRESS AND EGRESS OVER THE SOUTH 50 FEET OF LOT 2 IN AFORESAID SUBDIVISION.

PARCEL 5 (RAILROAD AVENUE):

EASEMENT FOR INGRESS AND EGRESS FOR THE BENEFIT OF PARCEL 1 OVER THAT PORTION OF THE LAND LOCATED OUTSIDE OF AND ABUTTING LOT 1, PARCEL 1 BOUNDARY DESCRIBED ABOVE, FOR THE BENEFIT OF PARCEL 1 ACROSS A PARCEL OF LAND IN THE NORTHEAST 1/4 OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF SAID NORTHEAST 1/4, 1064.15 FEET SOUTH OF THE NORTH LINE OF SAID NORTHEAST 1/4; THENCE EAST AT RIGHT ANGLES TO THE EAST LINE OF SAID NORTHEAST 1/4 A DISTANCE OF 849.69 FEET; THENCE SOUTH PARALLEL TO THE EAST LINE OF SAID NORTHEAST 1/4 A DISTANCE OF 43.00 FEET; THENCE WEST AT RIGHT ANGLES TO THE EAST LINE OF SAID NORTHEAST 1/4 A DISTANCE OF 806.69 FEET TO A POINT 43.00 FEET EAST OF THE WEST LINE OF SAID NORTHEAST 1/4; THENCE SOUTH PARALLEL TO THE WEST LINE OF SAID NORTHEAST 1/4 A DISTANCE OF 913.00 FEET; THENCE WEST AT RIGHT ANGLES TO THE EAST LINE OF SAID NORTHEAST 1/4 A DISTANCE OF 43.00 FEET TO THE WEST LINE OF SAID NORTHEAST 1/4; THENCE NORTH ALONG THE WEST LINE OF SAID NORTHEAST 1/4 A DISTANCE OF 956.00 FEET TO THE POINT OF BEGINNING AS SET FORTH IN DOCUMENTS RECORDED AS 26094902, 26099442 AND 09066007, AS AMENDED BY ACCESS AND

UNOFFICIAL COPY

SIGNAGE EASEMENT AGREEMENT DATED JULY 9, 2001 AND RECORDED JULY 11, 2001 AS DOCUMENT NUMBER 0010614059 AND FIRST AMENDMENT TO ACCESS AND SIGNAGE EASEMENT AGREEMENT DATED APRIL 7, 2008, RECORDED APRIL 9, 2008, AS DOCUMENT NUMBER 0810022023.

PARCEL 6: (PALMER EXTENSION):

EASEMENT FOR INGRESS AND EGRESS FOR THE BENEFIT OF PARCEL 1 ACROSS A PARCEL OF LAND IN THE NORTHEAST 1/4 OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION; THENCE EAST ALONG THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION A DISTANCE OF 320.33 FEET; THENCE SOUTH PARALLEL TO THE EAST LINE OF SAID SECTION A DISTANCE OF 66.00 FEET; THENCE WEST PARALLEL TO THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION A DISTANCE OF 372.33 FEET; THENCE NORTH PARALLEL TO THE WEST LINE OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION A DISTANCE OF 411.98 FEET; THENCE EAST AT A RIGHT ANGLE TO THE EAST LINE OF SAID SECTION A DISTANCE OF 52.00 FEET TO THE WEST LINE OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION; THENCE SOUTH ALONG SAID WEST LINE A DISTANCE OF 346.37 FEET TO THE POINT OF BEGINNING AS SET FORTH IN DOCUMENTS RECORDED AS NO. 26099443, 26094902, 97499117 AND 09066007, AS AMENDED BY ACCESS AND SIGNAGE EASEMENT AGREEMENT DATED JULY 9, 2001 AND RECORDED JULY 11, 2001 AS DOCUMENT NUMBER 0010614059 AND FIRST AMENDMENT TO ACCESS AND SIGNAGE EASEMENT AGREEMENT DATED APRIL 7, 2008, RECORDED APRIL 9, 2008, AS DOCUMENT NUMBER 0810022023.

PARCEL 7:

EASEMENT APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1 FOR DRIVEWAY PURPOSES OVER THE EAST 75 FEET OF THE FOLLOWING DESCRIBED LAND AND EASEMENT OVER, UPON AND UNDER A STRIP OF LAND OF SUFFICIENT WIDTH TO RECONSTRUCT, RENEW, MAINTAIN AND OPERATE AN EIGHT-INCH CAST IRON PIPE WATER MAIN EXTENDING NORTHERLY AND SOUTHERLY PARALLEL WITH AND A DISTANT OF 66 FEET FROM THE EAST LINE OF THE WEST FRACTIONAL HALF OF SAID SECTION 31 AS CONTAINED IN THE QUIT CLAIM DEEDS FROM CHICAGO AND NORTH WESTERN RAILWAY COMPANY, A WISCONSIN CORPORATION, TO WILLIAM R. SCHOLLE AND SARAH R. SCHOLLE, HIS WIFE, DATED JANUARY 2, 1953 AND JANUARY 12, 1953 AND RECORDED FEBRUARY 24, 1953 AS DOCUMENT NUMBERS 15552236 (AT BOOK 48880 PAGE 426) AND 15552237 (AT BOOK 48880 PAGE 430) AND IN THE AFFIDAVIT RECORDED AS DOCUMENT 16947034 (AT BOOK 55010 PAGE 510), THE CONTRACT CONCERNING EASEMENT RECORDED AS DOCUMENT 16947035 (AT BOOK 55010 PAGE 514) AND THE AGREEMENT FOR EASEMENT RECORDED AS DOCUMENT 16947036 (AT BOOK 55010 PAGE 519), OVER THE FOLLOWING DESCRIBED TRACT OF LAND:

A TRACT OR PARCEL OF LAND IN THE WEST FRACTIONAL HALF OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS, TO-WIT:

BEGINNING AT A POINT IN THE EAST LINE OF THE WEST FRACTIONAL HALF OF SAID SECTION 31, DISTANT 300 FEET NORTH, AS MEASURED ALONG SAID EAST LINE OF THE WEST FRACTIONAL HALF OF SAID SECTION 31 FROM ITS INTERSECTION WITH THE NORTH LINE OF NORTH AVENUE, STATE BOND ISSUE ROUTE 64, AS NOW LOCATED AND ESTABLISHED, AND SHOWN ON PLAT OF DEDICATION RECORDED AS DOCUMENT NUMBER 10298762 IN BOOK 272 OF PLATS ON PAGES 22 AND 23 IN THE OFFICE OF THE RECORDER OF DEEDS IN AND FOR COOK COUNTY, ILLINOIS; THENCE NORTH ALONG THE EAST LINE OF THE WEST FRACTIONAL HALF OF SAID SECTION 31, A DISTANCE OF 600 FEET; THENCE WEST PARALLEL WITH THE SAID NORTH LINE OF NORTH AVENUE, A DISTANCE OF 451.92 FEET TO A POINT DISTANT 100 FEET SOUTHEASTERLY, MEASURED AT RIGHT ANGLES FROM THE CENTER LINE OF THE MOST EASTERLY MAIN TRACK OF THE CHICAGO AND NORTH WESTERN RAILWAY COMPANY, AS NOW LOCATED AND ESTABLISHED; THENCE SOUTHWESTERLY PARALLEL

UNOFFICIAL COPY

WITH THE CENTER LINE OF SAID MAIN TRACK, TO A POINT DISTANT 510.37 FEET WEST, AS MEASURED ALONG A LINE PARALLEL WITH THE SAID NORTH LINE OF NORTH AVENUE, FROM THE POINT OF BEGINNING; THENCE EAST PARALLEL WITH THE SAID NORTH LINE OF NORTH AVENUE, A DISTANCE OF 510.37 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

ALSO

THE EASTERLY 75 FEET OF THE WEST FRACTIONAL HALF OF AFORESAID SEC 31, LYING SOUTH OF THE SOUTH LINE OF THE PROPERTY ABOVE DESCRIBED AND NORTH OF THE NORTH LINE OF NORTH AVENUE.

PARCEL 8:

EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY AGREEMENT FOR EASEMENT FROM IMPERIAL FLOORING AND WATERPROOFING COMPANY, AN ILLINOIS CORPORATION TO AUTOMATIC ELECTRIC COMPANY, A DELAWARE CORPORATION, DATED JANUARY 3, 1957 AND RECORDED MAY 17, 1957 AS DOCUMENT 16906687 FOR PASSAGEWAY OVER THE FOLLOWING DESCRIBED LAND:

THAT PART OF THE EASTERLY 75 FEET OF A TRACT OR PARCEL OF LAND IN THE WEST FRACTIONAL 1/2 OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS, TO-WIT:

BEGINNING AT A POINT IN THE EAST LINE OF THE WEST FRACTIONAL 1/2 OF SAID SECTION 31, DISTANT 900 FEET NORTH, AS MEASURED ALONG SAID EAST LINE OF THE WEST FRACTIONAL 1/2 OF SAID SECTION 31, FROM ITS INTERSECTION WITH THE NORTH LINE OF NORTH AVENUE, STATE BOND ISSUE ROUTE 64, AS NOW LOCATED AND ESTABLISHED, AND SHOWN ON PLAT OF DEDICATION RECORDED AS DOCUMENT NO. 10298762 IN BOOK 272 OF PLATS ON PAGES 22 AND 23 IN THE OFFICE OF THE RECORDER OF DEEDS IN AND FOR COOK COUNTY, ILLINOIS; THENCE NORTH ALONG THE EAST LINE OF THE WEST FRACTIONAL 1/2 OF SAID SECTION 31, A DISTANCE OF 384 FEET; THENCE WEST PARALLEL WITH THE SAID NORTH LINE OF NORTH AVENUE, A DISTANCE OF 414.50 FEET TO A POINT DISTANT 100 FEET SOUTHEASTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF THE MOST EASTERLY MAIN TRACT OF THE CHICAGO AND NORTH WESTERN RAILWAY COMPANY, AS NOW LOCATED AND ESTABLISHED; THENCE SOUTHWESTERLY PARALLEL WITH THE CENTER LINE OF SAID MAIN TRACK, TO A POINT DISTANT 451.92 FEET WEST, AS MEASURED ALONG A LINE PARALLEL WITH THE SAID NORTH LINE OF NORTH AVENUE, FROM THE POINT OF BEGINNING; THENCE EAST PARALLEL WITH THE SAID NORTH LINE OF NORTH AVENUE, A DISTANCE OF 451.92 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY ILLINOIS.

PARCEL 9:

EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY AGREEMENT FOR EASEMENT FROM S. N. NIELSEN COMPANY, AN ILLINOIS CORPORATION TO AUTOMATIC ELECTRIC COMPANY, A DELAWARE CORPORATION, DATED JANUARY 3, 1957 AND RECORDED MAY 17, 1957 AS DOCUMENT 16906688 FOR PASSAGEWAY OVER THE FOLLOWING DESCRIBED LAND:

THAT PART OF THE EASTERLY 75 FEET OF A TRACT OR PARCEL OF LAND IN THE WEST FRACTIONAL 1/2 OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS, TO-WIT:

BEGINNING AT A POINT ON THE EAST LINE OF THE WEST FRACTIONAL HALF OF SAID SECTION 31, DISTANT 1500 FEET NORTH, AS MEASURED ALONG SAID EAST LINE OF THE WEST FRACTIONAL 1/2 OF SAID SECTION 31, FROM ITS INTERSECTION WITH THE NORTH LINE OF NORTH AVENUE (STATE BOND ISSUE ROUTE 64) AS NOW LOCATED AND ESTABLISHED, AND SHOWN ON PLAT OF DEDICATION, RECORDED AS DOCUMENT NO. 10298762, IN BOOK 272 OF PLATS ON PAGES 22 AND 23, IN THE OFFICE OF THE RECORDER OF DEEDS IN AND FOR COOK COUNTY, ILLINOIS; THENCE NORTH ALONG THE EAST LINE OF THE WEST FRACTIONAL 1/2 OF SAID SECTION 31, A DISTANCE OF 600 FEET; THENCE WEST PARALLEL WITH THE SAID

UNOFFICIAL COPY

NORTH LINE OF NORTH AVENUE A DISTANCE OF 320 FEET, MORE OR LESS, TO A POINT DISTANT, 100 FEET SOUTHEASTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF THE MOST EASTERLY MAIN TRACK, OF THE CHICAGO AND NORTH WESTERN RAILWAY COMPANY, AS NOW LOCATED AND ESTABLISHED; THENCE SOUTHEASTERLY, PARALLEL WITH THE CENTER LINE OF SAID MAIN TRACK, TO A POINT DISTANT 393.47 FEET WEST, AS MEASURED ALONG A LINE PARALLEL WITH THE SAID NORTH LINE OF NORTH AVENUE, FROM THE POINT OF BEGINNING; THENCE EAST PARALLEL WITH THE SAID NORTH LINE OF NORTH AVENUE, A DISTANCE OF 393.47 FEET, TO THE POINT OF BEGINNING.

AND ALSO

A TRACT OR PARCEL OF LAND IN THE WEST FRACTIONAL 1/2 OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS, TO-WIT:

BEGINNING AT A POINT IN THE EAST LINE OF THE WEST FRACTIONAL 1/2 OF SAID SECTION 31, DISTANT 1284 FEET, NORTH AS MEASURED ALONG SUCH EAST LINE OF THE WEST FRACTIONAL 1/2 OF SAID SECTION 31 FROM ITS INTERSECTION WITH THE NORTH LINE OF NORTH AVENUE (STATE BOND ISSUE ROUTE 64) AS NOW LOCATED AND ESTABLISHED AND SHOWN ON PLAT OF DEDICATION RECORDED AS DOCUMENT 10298762 IN BOOK 272 OF PLATS ON PAGES 22 AND 23 IN THE OFFICE OF THE RECORDER OF DEEDS IN AND FOR COOK COUNTY ILLINOIS; THENCE NORTH ALONG THE EAST LINE OF THE WEST FRACTIONAL 1/2 OF SAID SECTION 31, A DISTANCE OF 216 FEET; THENCE WEST PARALLEL WITH THE SAID NORTH LINE OF NORTH AVENUE, A DISTANCE OF 393.47 FEET TO A POINT DISTANT 100 FEET SOUTHEASTERLY (MEASURED AT RIGHT ANGLES) FROM THE CENTER LINE OF THE MOST EASTERLY MAIN TRACK OF THE CHICAGO AND NORTHWESTERN RAILWAY COMPANY, AS NOW LOCATED AND ESTABLISHED; THENCE SOUTHWESTERLY PARALLEL WITH THE CENTER LINE OF SAID MAIN TRACK TO THE POINT OF INTERSECTION WITH A LINE WHICH INTERSECTS THE PLACE OF BEGINNING AND IS PARALLEL TO THE NORTH LINE OF SAID NORTH AVENUE, THENCE EAST ALONG SAID LINE WHICH IS PARALLEL WITH THE SAID NORTH LINE OF NORTH AVENUE TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 10:

EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY AGREEMENT FOR EASEMENT FROM CHICAGO AND NORTHWESTERN RAILWAY COMPANY, A WISCONSIN CORPORATION TO AUTOMATIC ELECTRIC COMPANY, A DELAWARE CORPORATION, DATED MARCH 26, 1957 AND RECORDED MAY 17, 1957 AS DOCUMENT 16906686 FOR PASSAGEWAY OVER THE FOLLOWING DESCRIBED LAND:

THAT PART OF THE EASTERLY 75 FEET OF THE WEST FRACTIONAL 1/2 OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, WHICH LIES BETWEEN TWO LINES DRAWN PARALLEL WITH AND DISTANT 2,200 FEET AND 3,330 FEET, RESPECTIVELY, NORTHERLY FROM THE SOUTH LINE OF SAID SECTION 31, EXCEPTING THEREFROM, HOWEVER, SO MUCH OF THE AFORESAID EASTERLY 75 FEET OF THE WEST FRACTIONAL 1/2 OF SECTION 31 WHICH LIES NORTHWESTERLY OF A LINE DRAWN PARALLEL WITH AND DISTANT 50 FEET SOUTHEASTERLY FROM THE MOST EASTERLY MAIN TRACK OF SAID RAILWAY COMPANY, AS SAID MAIN TRACK IS NOW LOCATED AND ESTABLISHED. THE SOUTHERLY BOUNDARY OF THE ABOVE DESCRIBED PARCEL OF LAND BEING A PART OF THE NORTHERLY BOUNDARY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED BY QUIT-CLAIM DEED DATED APRIL 25, 1955 TO S. N. NIELSEN COMPANY BY THE CHICAGO AND NORTH WESTERN RAILWAY COMPANY.

UNOFFICIAL COPY

EXHIBIT B

PERMITTED ENCUMBRANCES

Those matters set forth on Schedule B of the Chicago Title Insurance Company's title commitment for Policy #1401 - 008936968 - CCE delivered to Administrative Agent's counsel on July 24, 2014.

Property of Cook County Clerk's Office

