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## Illinois Anti-Predatory Lending Database Program

### Certificate of Exemption



Doc#: 1430810048 Fee: \$88.00  
RHSP Fee: \$9.00 RPRF Fee: \$1.00  
Karen A. Yarbrough  
Cook County Recorder of Deeds  
Date: 11/04/2014 11:42 AM Pg: 1 of 26

Report Mortgage Fraud  
800-532-8785

The property identified as: **PIN:** 17-21-101-039-0000

**Address:**  
**Street:** 4 635 - 647 W. ROOSEVELT ROAD  
**Street line 2:**  
**City:** CHICAGO **State:** IL **ZIP Code:** 60607

**Lender:** CPR MONEY LLC

**Borrower:** 635-647 W. ROOSEVELT ROAD, LLC

**Loan / Mortgage Amount:** \$4,500,000.00

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**

S ✓  
F 26  
S ✓  
SC ✓  
IN ✓

**Certificate number:** 59C7B268-D87C-4A5C-ADA9-739C87A71B9F

**Execution date:** 10/21/2014

304 C+J JYK 8963306

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Prepared by, and after recording return to:

Federman Steifman LLP  
414 North Orleans Street  
Suite 210  
Chicago, Illinois 60654  
Attention: Andrew F. Lampert

**635-647 W. ROOSEVELT ROAD, LLC**  
(Borrower)

and

**CPR MONEY LLC**  
(Lender)

**MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING**

Dated: As of October 21, 2014

Project Name: 635-647 Roosevelt Road  
Loan Number: 50001

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## MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

This **MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING** (this "**Security Instrument**") is made as of October 21, 2014, from **635-647 W. ROOSEVELT ROAD, LLC**, an Illinois limited liability company having an address at 1319 South State Street, Suite B, Chicago, Illinois 60605 ("**Borrower**"), as mortgagor, to **CPR MONEY LLC**, a Delaware limited liability company having an address c/o UC Credit Services, LLC, 745 Boylston Street, Suite 502, Boston, Massachusetts 02116, Attention: Loan Servicing (together with its successors and assigns, "**Lender**"), as mortgagee.

BORROWER, FOR AND IN CONSIDERATION OF THE SUM OF TEN AND NO/100 DOLLARS (\$10.00), AND OTHER VALUABLE CONSIDERATION, INCLUDING THE INDEBTEDNESS HEREIN RECITED, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, HEREBY IRREVOCABLY MORTGAGES, GRANTS, BARGAINS, SELLS, CONVEYS, TRANSFERS, PLEDGES, SETS OVER AND ASSIGNS, AND GRANTS A SECURITY INTEREST, TO AND IN FAVOR OF LENDER, ITS SUCCESSORS AND ASSIGNS, with power of sale, all of Borrower's estate, right, title and interest in, to and under any and all of the following described property, whether now owned or hereafter acquired (collectively, the "**Property**"):

(A) All that certain real property situated in the County of Cook, State of Illinois, more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "**Real Estate**"), together with all of the easements, rights, privileges, franchises, tenements, hereditaments and appurtenances now or hereafter thereunto belonging or in any way appertaining thereto, and all of the estate, right, title, interest, claim and demand whatsoever of Borrower therein or thereto, either at law or in equity, in possession or in expectancy, now owned or hereafter acquired;

(B) All structures, buildings and improvements of every kind and description now or at any time hereafter located or placed on the Real Estate (the "**Improvements**");

(C) All easements, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, air rights and development rights and other emblements now or hereafter located on the Real Estate or under or above the same or any part or parcel thereof, all rights to oil, gas, minerals, coal and other substances of any kind or character, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances, reversions and remainders whatsoever, in any way belonging, relating or appertaining to the Property or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Borrower;

(D) All furniture, furnishings, fixtures, goods, equipment, inventory or personal property owned by Borrower and now or hereafter located on, attached to or used in or about the Improvements; including, but not limited to, all machines, engines, boilers, dynamos, elevators, stokers, tanks, cabinets, awnings, screens, shades, blinds, carpets, draperies, lawn mowers, and all appliances, plumbing, heating, air conditioning, lighting, ventilating, refrigerating, disposal and incinerating equipment, and all fixtures and appurtenances thereto, and such other goods and chattels and personal property owned by Borrower as are now or hereafter used or furnished in

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operating the Improvements, or the activities conducted therein, and all building materials and equipment hereafter situated on or about the Real Estate or the Improvements, and all warranties and guaranties relating thereto, and all additions thereto and substitutions and replacements therefor (exclusive of any of the foregoing owned or leased by tenants of space in the Improvements);

(E) All water, water courses, ditches, wells, reservoirs and drains and all water, ditch, well, reservoir and drainage rights and powers which are appurtenant to, located on, under or above or used in connection with the Real Estate or the Improvements, or any part thereof, together (i) with all utilities, utility lines, utility commitments, utility capacity, capital recovery charges, impact fees and other fees paid in connection with the same, (ii) reimbursements or other rights pertaining to utility or utility services provided to the Real Estate and/or the Improvements, and (iii) the present or future use or availability of waste water capacity or other utility facilities to the extent same pertain to or benefit the Real Estate and/or the Improvements; including, without limitation, all reservations of or commitments or letters covering any such use in the future, whether now existing or hereafter created or acquired;

(F) All minerals, crops, timber, trees, shrubs, flowers and landscaping features now or hereafter located on, under or above the Real Estate;

(G) All cash funds, deposit accounts and other rights and evidence of rights to cash, now or hereafter created or held by Lender pursuant to this Security Instrument, the Loan Agreement or any other of the Loan Documents, as hereinafter defined; including, without limitation, all funds now or hereafter on deposit in the Reserves held by Lender pursuant to the terms of the Loan Agreement;

(H) All leases, licenses, rental agreements and occupancy agreements of whatever form now or hereafter affecting all or any part of the Real Estate and/or the Improvements and any and all guarantees, extensions, renewals, replacements, and modifications thereof (collectively, the "Leases");

(I) All rents, royalties, issues, profits, revenue, income and other benefits of the Real Estate, the Improvements, or the fixtures or equipment now or hereafter arising from the use or enjoyment of all or any portion thereof or from any present or future Leases, and all cash or securities deposited to secure performance by the Tenants of their obligations under any of the Leases, whether said cash or securities are to be held until the expiration of the terms of said Leases or applied to one or more of the installments of rent coming due prior to the expiration of said terms (collectively, the "Rents");

(J) All contracts and agreements now or hereafter entered into covering any part of the Real Estate or the Improvements (collectively, the "Contracts") and all revenue, income and other benefits thereof; including, without limitation, management agreements, service contracts, maintenance contracts, equipment leases, personal property leases and any contracts or documents relating to construction on any part of the Property (including plans, specifications, studies, drawings, surveys, tests, operating and other reports, bonds and governmental approvals) or to the management or operation of any part of the Real Estate or the Improvements;

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(K) All present and future monetary deposits given to any public or private utility with respect to utility services furnished to any part of the Real Estate or the Improvements;

(L) All present and future funds, accounts, instruments, accounts receivable, documents, causes of action, claims, general intangibles (including, without limitation, trademarks, trade names, servicemarks and symbols now or hereafter used in connection with any part of the Real Estate or the Improvements, all names by which the Real Estate or the Improvements may be operated or known, all rights to carry on business under such names, and all rights, interest and privileges which Borrower has or may have as developer or declarant under any covenants, restrictions or declarations now or hereafter relating to the Real Estate or the Improvements) and all notes or chattel paper now or hereafter arising from or by virtue of any transactions related to the Real Estate or the Improvements (collectively, the "**General Intangibles**");

(M) All water taps, sewer taps, certificates of occupancy, permits, special permits, uses, licenses, franchises, certificates, consents, approvals and other rights and privileges now or hereafter obtained in connection with the Real Estate or the Improvements and all present and future warranties and guaranties relating to the Improvements or to any equipment, fixtures, furniture, furnishings, personal property or components of any of the foregoing now or hereafter located or installed on the Real Estate or the Improvements;

(N) All building materials, supplies and equipment now or hereafter placed on the Real Estate or in the Improvements and all architectural renderings, models, drawings, plans, specifications, studies and data now or hereafter relating to the Real Estate or the Improvements;

(O) All right, title and interest of Borrower in any insurance policies or binders now or hereafter relating to the Property, including any unearned premiums thereon;

(P) All proceeds, products, substitutions and accessions (including claims and demands therefor) of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims; including, without limitation, proceeds of insurance and condemnation awards and all refunds, rebates or credits in connection with a reduction or overpayment of taxes;

(Q) All interest rate cap agreements, swaps or other interest hedging agreements now or hereafter executed with respect to the Loan, as hereinafter defined, or to guard against interest rate exposure in connection with the Loan; and

(R) All other or greater rights and interests of every nature in the Real Estate or the Improvements and in the possession or use thereof and income therefrom, whether now owned or hereafter acquired by Borrower.

## FOR THE PURPOSE OF SECURING:

(1) A loan from Lender to Borrower in the original principal amount of FOUR MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$4,500,000.00) (the "**Loan**"), which is evidenced by (a) a Loan Agreement of even date herewith between Borrower and Lender (the "**Loan Agreement**"), and (b) a Promissory Note of even date herewith executed

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by Borrower and payable to the order of Lender (the "**Note**") in the original principal amount of the Loan with a maturity date of May 1, 2016 (subject to extension to November 1, 2016);

(2) The truth, accuracy, and completeness of all representations and warranties and the performance of all covenants and obligations of Borrower set forth in the Loan Agreement;

(3) The full and prompt payment and performance of all of the provisions, agreements, covenants and obligations herein contained and contained in any other agreements, documents or instruments now or hereafter evidencing, securing or otherwise relating to the indebtedness evidenced by the Note (the Note, the Loan Agreement, this Security Instrument, and such other agreements, documents and instruments, together with any and all renewals, modifications, amendments, restatements, consolidations, substitutions, replacements, and extensions and modifications thereof, are hereinafter collectively referred to as the "**Loan Documents**") and the payment of all other sums therein covenanted to be paid; including, without limitation, all interest, fees, and any applicable yield maintenance premiums or prepayment fees;

(4) Any and all future or additional advances (whether or not obligatory) made by Lender to protect or preserve the Property, or the lien or security interest created hereby on the Property, or for taxes, assessments or insurance premiums as hereinafter provided or for performance of any of Borrower's obligations hereunder or under the other Loan Documents or for any other purpose provided herein or in the other Loan Documents (whether or not the original Borrower remains the owner of the Property at the time of such advances), together with interest thereon at the Default Interest Rate; and

(5) Any and all other indebtedness now owing or which may hereafter be owing by Borrower to Lender, however and whenever incurred or evidenced, whether express or implied, direct or indirect, absolute or contingent, or due or to become due, and all renewals, modifications, amendments, restatements, consolidations, substitutions, replacements and extensions thereof.

(All of the sums referred to in Paragraphs (1) through (5) above are herein sometimes referred to as the "**Indebtedness**").

Capitalized terms used in this Security Instrument and not specifically defined herein shall have the meanings provided in the Note and/or the Loan Agreement.

TO HAVE AND TO HOLD the Property unto Lender, its successors and assigns forever, for the purposes and uses herein set forth.

PROVIDED, HOWEVER, that if the principal and interest and all other sums due or to become due under the Note; including, without limitation, any prepayment fees required pursuant to the terms of the Note, shall have been paid at the time and in the manner stipulated therein and all other sums payable hereunder and all other Indebtedness shall have been paid and all other covenants contained in the Loan Documents shall have been performed, then, in such case, this Security Instrument shall be satisfied and the estate, right, title and interest of Lender in the Property shall cease, and upon payment to Lender of all costs and expenses incurred for the



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preparation of the release hereinafter referenced and all recording costs if allowed by law, Lender shall release this Security Instrument and the lien hereof by proper instrument in accordance with Section 4.02 hereof.

## ARTICLE 1 BORROWER COVENANTS

1.01 Warranty of Title. Borrower has good, marketable and indefeasible fee simple title to the Property, subject only to those matters expressly set forth on Schedule B of the title insurance policy obtained by Lender insuring the lien of this Security Instrument (the "Permitted Exceptions"), and has full power and lawful authority to grant, bargain, sell, convey, assign, transfer and encumber its interest in the Property in the manner and form hereby done or intended. None of the Permitted Exceptions materially interfere with the security intended to be provided by this Security Instrument, the current primary use of the Property or the current ability of the Property to generate income sufficient to service the Loan. Borrower will preserve its interest in and title to the Property and will forever warrant and defend the same to Lender against any and all claims whatsoever and will forever warrant and defend the validity and priority of the lien and security interest created herein against the claims of all persons and parties whomsoever, subject to the Permitted Exceptions. The foregoing warranty of title shall survive the foreclosure, exercise of any power of sale or other enforcement of this Security Instrument and shall inure to the benefit of and be enforceable by Lender in the event Lender acquires title to the Property pursuant to any foreclosure, exercise of any power of sale or otherwise.

1.02 Defense of Title. If, while this Security Instrument is in force, the title to the Property or the interest of Lender therein shall be the subject, directly or indirectly, of any action at law or in equity, or be attached directly or indirectly, or endangered, clouded or adversely affected in any manner, Borrower, at Borrower's expense, shall take all necessary and proper steps for the defense of said title or interest, including the employment of counsel reasonably approved by Lender, the prosecution or defense of litigation, and the compromise or discharge of claims made against said title or interest.

1.03 Performance of Obligations. Borrower shall pay when due the principal of and the interest on the Indebtedness, including all charges, fees and other sums required to be paid by Borrower as provided in the Loan Documents, and shall observe, perform and discharge all obligations, and conditions, and comply with all prohibitions, covenants and agreements to be observed, performed or discharged by Borrower set forth in the Loan Documents in accordance with their terms. In the event that Lender determines that Borrower is not adequately performing any of its obligations under this Security Instrument or under any of the other Loan Documents, Lender may, without limiting or waiving any other rights or remedies of Lender hereunder, take such steps with respect thereto as Lender shall deem necessary or proper, and any and all costs and expenses reasonably incurred by Lender in connection therewith, together with interest thereon at the Default Interest Rate from the date incurred by Lender until actually paid by Borrower, shall be immediately paid by Borrower on demand and shall be secured by this Security Instrument and by all of the other Loan Documents securing all or any part of the Indebtedness.

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## 1.04 Insurance.

(a) Borrower shall, at Borrower's expense, maintain in force and effect on the Property at all times while this Security Instrument continues in effect all insurance with respect to Borrower and the Property as is required in Section 2.02 of the Loan Agreement.

(b) In the event Borrower fails to provide, maintain, keep in force or deliver and furnish to Lender the policies of insurance required by the Loan Agreement or evidence of their renewal as required therein, Lender may, but shall not be obligated to, procure such insurance, in accordance with the terms of Section 2.02 of the Loan Agreement. Any amounts so advanced by Lender, together with interest thereon, shall be secured by this Security Instrument and by all of the other Loan Documents securing all or any part of the Indebtedness.

1.05 Payment of Taxes, Mechanics Liens and Other Lienable Charges. Borrower shall pay all taxes, assessments, mechanic's liens and other charges assessed or imposed upon the Property as and when required by Sections 2.03, 2.08 and 2.11 of the Loan Agreement. If, in accordance with the terms of the Loan Agreement, Lender advances any sums by reason of Borrower's failure to pay or discharge any lienable charge, such sums, together with interest thereon, shall be secured by this Security Instrument and by all of the other Loan Documents securing all of any part of the Indebtedness.

1.06 Casualty and Condemnation. Borrower shall comply with all obligations set forth in Section 2.07 of the Loan Agreement in the event the Property is damaged by a casualty or becomes subject to any condemnation or other taking. All proceeds or awards recovered by, or payable to, Borrower by reason of such event shall be paid and administered in accordance with the terms of the Loan Agreement.

1.07 Assignment. Borrower acknowledges and confirms that, as additional collateral security for the payment of the Indebtedness, and cumulative of any and all rights and remedies herein provided, it has executed and delivered to Lender an Assignment of Leases and Rents (the "Assignment of Rents") of even date herewith and an Assignment of Contracts, Permits, Licenses Agreement and Other Rights of even date herewith (the "Assignment of Other Rights," and together with the Assignment of Rents, the "Assignment"), intending such Assignment to create a present, absolute assignment to Lender of the Leases, Rents and other collateral described therein. Upon the occurrence of a default under this Security Instrument, the Loan Agreement or any other Loan Document which has not been cured within any applicable grace or cure period, Lender shall be entitled to exercise any or all of the remedies provided in this Security Instrument and in the Assignment; including, without limitation, the appointment of a receiver. The Assignment shall continue in full force and effect during any period of foreclosure or redemption with respect to the Property.

1.08 Leases. Borrower shall not enter into any Leases or take any action with respect to the same unless such action is in accordance with the terms of Section 2.09 of the Loan Agreement.

1.09 Alienation and Further Encumbrances. Borrower shall not cause or permit any transfer of the Property or any transfer or pledge of ownership interests in Borrower or any



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individual or entity holding interests in Borrower, except in accordance with the terms of Section 2.10 of the Loan Agreement.

## 1.10 Payment of Costs; Advances to Protect Property.

(a) Borrower shall pay all reasonable costs and expenses of every character incurred in connection with the closing of the Loan or otherwise attributable or chargeable to Borrower as the owner of the Property; including, without limitation, appraisal fees, recording fees, documentary, stamp, mortgage or intangible taxes, brokerage fees and commissions, title policy premiums and title search fees, uniform commercial code/tax lien/litigation search fees, escrow fees and reasonable attorneys' fees.

(b) Without limiting or waiving any other rights and remedies of Lender hereunder, if Lender determines that Borrower is not adequately performing or has failed to perform any of its obligations, covenants or agreements contained in this Security Instrument or in any of the other Loan Documents, and such inadequacy or failure is not cured within any applicable grace or cure period, or if any action or proceeding of any kind (including, but not limited to, any bankruptcy, insolvency, arrangement, reorganization or other debtor relief proceeding) is commenced which might affect Lender's interest in the Property or Lender's right to enforce its security, then Lender may, at its option, with or without notice to Borrower, make any appearances, disburse or advance any sums and take any actions as may be necessary or desirable to protect or enforce the security of this Security Instrument or to remedy the failure of Borrower to perform its covenants and agreements (without, however, waiving any default of Borrower). Borrower agrees to pay on demand all expenses of Lender reasonably incurred with respect to the foregoing (including, but not limited to, fees and disbursements of counsel), together with interest thereon at the Default Interest Rate from and after the date on which Lender incurs such expenses until reimbursement thereof by Borrower. Any such expenses so incurred by Lender, together with interest thereon as provided above, shall be additional indebtedness of Borrower secured by this Security Instrument and by all of the other Loan Documents securing all or any part of the Indebtedness. The necessity for any such actions and of the amounts to be paid shall be determined by Lender in its sole and absolute discretion. Lender is hereby empowered to enter and to authorize others to enter upon the Property or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without thereby becoming liable to Borrower or any person in possession holding under Borrower. Borrower hereby acknowledges and agrees that the remedies set forth in this Section shall be exercisable by Lender, and any and all payments made or costs or expenses incurred by Lender in connection therewith shall be secured hereby and shall be, without demand, immediately repaid by Borrower with interest thereon at the Default Interest Rate notwithstanding the fact that such remedies were exercised and such payments made and costs incurred by Lender after the filing by Borrower of a voluntary case or the filing against Borrower of an involuntary case pursuant to or within the meaning of the Bankruptcy Reform Act of 1978, as amended (the "**Bankruptcy Act**"), Title 11 U.S.C., or after any similar action pursuant to any other debtor relief law (whether statutory, common law, case law or otherwise) of any jurisdiction whatsoever, now or hereafter in effect, which may be or become applicable to Borrower, Lender, any guarantor or indemnitor, the Indebtedness or any of the Loan Documents. This indemnity shall survive payment in full of the Indebtedness. This Section shall not be construed to require Lender to incur any expenses, make any appearances or take any actions.

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1.11 Security Interest. This Security Instrument is also intended to encumber and create a security interest in, and Borrower hereby grants to Lender a security interest in, all Reserves held by Lender pursuant to the terms of the Loan Agreement, all fixtures, chattels, accounts, equipment, inventory, contract rights, general intangibles and other personal property included within the Property, all renewals, replacements of any of the aforementioned items, or articles in substitution therefor or in addition thereto or the proceeds thereof (collectively, the "Collateral"), whether or not the same shall be attached to the Property in any manner. It is hereby agreed that, to the extent permitted by law, all of the foregoing property is to be deemed and held to be a part of and affixed to the Real Estate and the Improvements. The foregoing security interest shall also cover Borrower's leasehold interest in any of the foregoing property which is leased by Borrower. Notwithstanding the foregoing, all of the foregoing property shall be owned by Borrower and no leasing or installment sales or other financing or title retention agreement in connection therewith shall be permitted without the prior written approval of Lender. Borrower shall promptly replace all of the Collateral subject to the lien or security interest of this Security Instrument when worn out or obsolete with Collateral comparable to the worn out or obsolete Collateral when new and will not, without the prior written consent of Lender, remove from the Property any of the Collateral subject to the lien or security interest of this Security Instrument except such as is replaced by an article of equal suitability and value as above provided, owned by Borrower free and clear of any lien or security interest except that created by this Security Instrument and the other Loan Documents and except as otherwise expressly permitted by the terms of Section 2.10 of the Loan Agreement. All of the Collateral shall be kept at the location of the Real Estate except as otherwise required by the terms of the Loan Documents. Borrower shall not use any of the Collateral in violation of any applicable statute, ordinance or insurance policy.

1.12 Security Agreement. This Security Instrument constitutes both a real property mortgage, deed of trust or deed to secure debt, as applicable, and a "security agreement" and "fixture filing" between Borrower and Lender with respect to the Collateral in which Lender is granted a security interest hereunder, and, cumulative of all other rights and remedies of Lender hereunder, Lender shall have all of the rights and remedies of a secured party under any applicable Uniform Commercial Code. Borrower hereby agrees to execute and deliver on demand and hereby irrevocably constitutes and appoints Lender the attorney-in-fact of Borrower to execute and deliver and, if appropriate, to file with the appropriate filing office or office such security agreements, financing statements, continuation statements or other instruments as Lender may request or require in order to impose, perfect or continue the perfection of the lien or security interest created hereby. Borrower agrees to furnish Lender with notice of any change in the name, identity, corporate structure, residence, or principal place of business or mailing address of Borrower within ten (10) days after the effective date of any such change. Expenses of retaking, holding, preparing for sale, selling or the like (including, without limitation, Lender's reasonable attorneys' fees and legal expenses), together with interest thereon at the Default Interest Rate from the date incurred by Lender until actually paid by Borrower, shall be paid by Borrower on demand and shall be secured by this Security Instrument and by all of the other Loan Documents securing all or any part of the Indebtedness. If notice is required by law, Lender shall give Borrower at least ten (10) days' prior written notice of the time and place of any public sale of such property or of the time of or after which any private sale or any other intended disposition thereof is to be made, and if such notice is sent to Borrower, as the same is provided for the mailing of notices in the Loan Agreement, it is hereby deemed that such notice

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shall be and is reasonable notice to Borrower. No such notice is necessary for any such property which is perishable, threatens to decline speedily in value or is of a type customarily sold on a recognized market. Any sale made pursuant to the provisions of this Section shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with the foreclosure sale as provided in this Security Instrument upon giving the same notice with respect to the sale of the Property hereunder as is required under said hereunder. Furthermore, to the extent permitted by law, in conjunction with, in addition to or in substitution for the rights and remedies available to Lender pursuant to any applicable Uniform Commercial Code:

(a) In the event of a foreclosure sale, the Property may, at the option of Lender, be sold as a whole;

(b) It shall not be necessary that Lender take possession of the aforementioned 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 said Collateral, or any part thereof, be present at the location of such sale; and

(c) Lender 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 Lender, including the sending of notices and the conduct of the sale, but in the name and on behalf of Lender.

Borrower will not change its principal place of business or chief executive office, or change the State of its organization or registration, or change its name, without in each instance the prior written consent of Lender, which consent shall not be unreasonably withheld, delayed or conditioned. Lender's consent will, however, be conditioned upon, among other things, the execution and delivery of additional financing statements, security agreements and other instruments which may be necessary to effectively evidence or perfect Lender's security interest in the Collateral as a result of such changes.

1.13 Easements and Rights-of-Way. Borrower shall not grant any easement or right-of-way with respect to all or any portion of the Property without the prior written consent of Lender. The purchaser at any foreclosure sale hereunder may, at its discretion, disaffirm any easement or right-of-way granted in violation of any of the provisions of this Security Instrument and may take immediate possession of the Property free from, and despite the terms of, such grant of easement or right-of-way. If Lender consents to the grant of an easement or right-of-way, Lender agrees to grant such consent without charge to Borrower other than reasonable expenses; including, without limitation, reasonable attorneys' fees, incurred by Lender in the review of Borrower's request and, if applicable, in the preparation of documents relating to the subordination of this Security Instrument to such easement or right-of-way.

1.14 Borrower's Waiver of Rights of Redemption, Marshalling and Other Rights. To the full extent permitted by law, Borrower agrees that Borrower shall 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, moratorium or extension, or any law now or hereafter in force providing for the reinstatement of the Indebtedness prior to any sale of the Property to be made pursuant to any provisions contained herein or prior to the entering of any decree, judgment or

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order of any court of competent jurisdiction, or any right under any statute to redeem all or any part of the Property so sold. To the full extent permitted by law, Borrower shall not have or assert any right under any statute or rule of law pertaining to the exemption of homestead or other exemption under any federal, state or local law now or hereafter in effect, the administration of estates of decedents or any other matters whatsoever to defeat, reduce or affect the right of Lender under the terms of this Security Instrument to a sale of the Property, for the collection of the Indebtedness without any prior or different resort for collection, or the right of Lender under the terms of this Security Instrument to the payment of the Indebtedness out of the proceeds of sale of the Property in preference to every other claimant whatever. Borrower, for Borrower and Borrower's successors and assigns, and for any and all persons ever claiming any interest in the Property, to the full extent permitted by law, hereby knowingly, intentionally and voluntarily with and upon the advice of competent counsel waives, releases, relinquishes and forever forgoes: (a) all rights of valuation, appraisal, stay of execution, reinstatement and notice of election of intention to mature or declare due the Indebtedness (except such notices as are specifically provided for herein); (b) all right to a marshaling of the assets of Borrower, including the Property, to a sale in the inverse order of alienation, or to direct the order in which any of the Property shall be sold in the event of foreclosure of the liens and security interests hereby created and agrees that any court having jurisdiction to foreclose such liens and security interests may order the Property sold as an entirety; (c) all rights and periods of redemption provided under applicable law; (d) all present and future statutes of limitations as a defense to any action to enforce the provisions of this Security Instrument or to collect any of the Indebtedness to the fullest extent permitted by law, and agrees that it shall not solicit or aid the solicitation of the filing of any petition against Borrower, whether acting on its own behalf or on behalf of any other party; (e) the right to assert a counterclaim, other than a mandatory or compulsory counterclaim, in any action or proceeding brought against it by Lender under the Loan Documents; (f) any defense Borrower might have by reason of Lender's failure to make any tenant of the Property a defendant in any foreclosure proceeding instituted by Lender; and (g) any right to notice from Lender, except as expressly provided in this Security Instrument, the Loan Agreement or the other Loan Documents. Without limiting the generality of the foregoing, Borrower shall not (i) provide information regarding the identity of creditors or the nature of creditors' claims to any third party unless compelled to do so by order of a court of competent jurisdiction or by regulation promulgated by a governmental agency; or (ii) pay the legal fees or expenses of any creditor of or interest holder in Borrower with respect to any matter whatsoever.

1.15 Contractual Statute of Limitations. Borrower hereby agrees that any claim or cause of action by Borrower against Lender, or any of Lender's directors, officers, partners, members, employees, agents, accountants or attorneys, based upon, arising from or relating to the Indebtedness, or any other matter, cause or thing whatsoever, whether or not relating thereto, occurred, done, omitted or suffered to be done by Lender or by Lender's directors, officers, partners, members, employees, agents, accountants or attorneys, whether sounding in contract or in tort or otherwise, shall be barred unless asserted by Borrower by the commencement of an action or proceeding in a court of competent jurisdiction by the filing of a complaint within one (1) year after Borrower first acquires or reasonably should have acquired knowledge of the first act, occurrence or omission upon which such claim or cause of action, or any part thereof, is based and service of a summons and complaint on an officer of Lender or any other person authorized to accept service of process on behalf of Lender, within thirty (30) days thereafter. Borrower agrees that such one (1) year period of time is reasonable and sufficient time for a



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borrower to investigate and act upon any such claim or cause of action. The one (1) year period provided herein shall not be waived, tolled or extended except by the specific written agreement of Lender. This provision shall survive any termination of this Security Instrument or any of the other Loan Documents.

1.16 Management. Borrower shall provide for management of the Property in accordance with the terms of Section 2.21 of the Loan Agreement.

## ARTICLE 2 EVENTS OF DEFAULT

2.01 Events of Default. The occurrence of an Event of Default as defined in Section 3.01 of the Loan Agreement, shall constitute an Event of Default under this Security Instrument.

## ARTICLE 3 REMEDIES

3.01 Remedies Available.

(a) If an Event of Default occurs, Lender may exercise, at its option and without prior notice or demand, and is hereby authorized by Borrower to exercise, any and all remedies set forth in the Loan Agreement, this Security Instrument, any other Loan Document or available under applicable law or in equity; including, without limitation, acceleration of the Indebtedness and foreclosure of the Property.

(b) This Security Instrument shall constitute a direction to and full authority to any lessee, or other third party who has heretofore dealt or contracted or may hereafter deal or contract with Borrower or Lender, at the request of Lender, to pay all amounts owing under any Lease, contract, concession, license or other agreement to Lender without proof of the default relied upon. Any such lessee or third party is hereby irrevocably authorized to rely upon and comply with (and shall be fully protected by Borrower in so doing) any request, notice or demand by Lender for the payment to Lender of any Rents or other sums which may be or thereafter become due under its Lease, contract, concession, license or other agreement, or for the performance of any undertakings under any such lease, contract, concession, license or other agreement, and shall have no right or duty to inquire whether any default under this Security Instrument or under any of the other Loan Documents has actually occurred or is then existing. Borrower hereby constitutes and appoints Lender, its assignees, successors, transferees and nominees, as Borrower's true and lawful attorney-in-fact and agent, with full power of substitution in the Property, in Borrower's name, place and stead, to do or permit any one or more of the foregoing described rights, remedies, powers and authorities, successively or concurrently, and said power of attorney shall be deemed a power coupled with an interest and irrevocable so long as any Indebtedness is outstanding. Any money advanced by Lender in connection with any action taken under this Section, together with interest thereon at the Default Interest Rate from the date of making such advancement by Lender until actually paid by Borrower, shall be a demand obligation owing by Borrower to Lender and shall be secured by this Security Instrument and by every other Loan Document securing the Indebtedness.

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3.02 Cumulative Remedies. All remedies contained in this Security Instrument, the Loan Agreement and the other Loan Documents are cumulative and Lender shall also have all other remedies provided at law and in equity. Such remedies may be pursued separately, successively or concurrently at the sole subjective direction of Lender and may be exercised in any order and as often as occasion therefor shall arise. No act of Lender shall be construed as an election to proceed under any particular provisions of this Security Instrument, the Loan Agreement or the other Loan Documents to the exclusion of any other provision or as an election of remedies to the exclusion of any other remedy which may then or thereafter be available to Lender. No delay or failure by Lender to exercise any right or remedy under this Security Instrument, the Loan Agreement or the other Loan Documents shall be construed to be a waiver of that right or remedy or of any default hereunder. Lender may exercise any one or more of its rights and remedies at its option without regard to the adequacy of its security.

3.03 Payment of Expenses. Borrower shall pay on demand all of Lender's expenses reasonably incurred in any efforts to enforce any terms of this Security Instrument, the Loan Agreement or the other Loan Documents whether or not any lawsuit is filed and whether or not foreclosure is commenced but not completed, including, but not limited to, reasonable legal fees and disbursements, foreclosure costs and title charges, together with interest thereon from and after the date incurred by Lender until actually paid by Borrower at the Default Interest Rate, as defined in the Note, and the same shall be secured by this Security Instrument and by all of the other Loan Documents securing all or any part of the Indebtedness.

3.04 Application of Proceeds. The proceeds from a foreclosure or other disposition of the Property shall be applied by Lender in accordance with the terms of the Loan Agreement.

## ARTICLE 4

### MISCELLANEOUS TERMS AND CONDITIONS

4.01 Time of Essence. Time is of the essence with respect to all provisions of this Security Instrument.

4.02 Release of Security Instrument.

(a) If and when Borrower has paid all of the Indebtedness as the same becomes due and payable then, and in such event only, all rights under this Security Instrument shall terminate except for those provisions hereof which by their terms survive, and the Property shall become wholly clear of the liens, security interests, conveyances and assignments evidenced hereby, which shall be released by Lender in due form at Borrower's cost. Borrower shall be responsible for the recordation of such release and payment of any recordation costs associated therewith.

(b) If less than all of the Property is at any time sold or transferred due to foreclosure, deed in lieu of foreclosure, condemnation or otherwise, or if Lender releases any portion of the Property from the lien of this Security Instrument, this Security Instrument shall remain as a lien and security interest on the remaining portion of the Property, unimpaired and without loss of priority.



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4.03 Notices. Any notice, report, demand or other instrument authorized or required to be given or furnished hereunder or as required by law shall be given in accordance with the terms of the Loan Agreement.

4.04 Successors and Assigns. The terms, provisions, indemnities, covenants and conditions hereof shall be binding upon Borrower and the successors and assigns of Borrower, including all successors in interest in and to all or any part of the Property, and shall inure to the benefit of Lender, and its successors and assigns and shall constitute covenants running with the land. If Borrower consists of more than one person or entity, each will be jointly and severally liable to perform the obligations of Borrower.

4.05 Entire Agreement; Amendment; Severability. This Security Instrument contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements, whether written or oral, between the parties respecting such matters. Any amendments or modifications hereto, in order to be effective, shall be in writing and executed by the parties hereto. A determination that any provision of this Security Instrument is unenforceable or invalid shall not affect the enforceability or validity of any other provisions.

4.06 Captions for Convenience. The captions and headings of the sections and paragraphs of this Security Instrument are for convenience of reference only and shall not be construed in interpreting the provisions hereof.

4.07 GOVERNING LAW. THIS SECURITY INSTRUMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE WHERE THE PROPERTY IS LOCATED, PROVIDED, HOWEVER, THAT TO THE EXTENT THAT ANY OF SUCH LAWS MAY NOW OR HEREAFTER BE PREEMPTED BY FEDERAL LAW, SUCH FEDERAL LAW SHALL SO GOVERN AND BE CONTROLLING.

4.08 Litigation Provisions.

(a) BORROWER CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN BOSTON, MASSACHUSETTS, AND OF ANY STATE OR FEDERAL COURT LOCATED OR HAVING JURISDICTION IN THE COUNTY IN WHICH THE PROPERTY IS LOCATED, IN WHICH ANY LEGAL PROCEEDING MAY BE COMMENCED OR PENDING RELATING IN ANY MANNER TO THIS SECURITY INSTRUMENT, THE LOAN, OR ANY OF THE OTHER LOAN DOCUMENTS.

(b) BORROWER AGREES THAT PROCESS IN ANY LEGAL PROCEEDING RELATING TO THIS SECURITY INSTRUMENT, THE LOAN OR ANY OF THE OTHER LOAN DOCUMENTS MAY BE SERVED ON BORROWER AT ANY LOCATION IN ACCORDANCE WITH APPLICABLE LAW.

(c) BORROWER AGREES THAT ANY LEGAL PROCEEDING RELATING TO THIS SECURITY INSTRUMENT, THE LOAN, OR ANY OF THE OTHER LOAN DOCUMENTS MAY BE BROUGHT AGAINST BORROWER IN ANY STATE OR FEDERAL COURT LOCATED IN BOSTON, MASSACHUSETTS, OR ANY STATE OR FEDERAL COURT LOCATED OR HAVING JURISDICTION IN THE COUNTY IN WHICH

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THE PROPERTY IS LOCATED. BORROWER WAIVES ANY OBJECTION TO VENUE IN ANY SUCH COURT AND WAIVES ANY RIGHT IT MAY HAVE TO TRANSFER OR CHANGE THE VENUE FROM ANY SUCH COURT.

(d) BORROWER AGREES THAT IT WILL NOT COMMENCE ANY LEGAL PROCEEDING AGAINST LENDER RELATING IN ANY MANNER TO THIS SECURITY INSTRUMENT, THE LOAN OR ANY OF THE OTHER LOAN DOCUMENTS IN ANY COURT OTHER THAN A STATE OR FEDERAL COURT LOCATED IN BOSTON, MASSACHUSETTS, OR IF A LEGAL PROCEEDING IS COMMENCED BY LENDER AGAINST BORROWER IN A COURT IN ANOTHER LOCATION, BY WAY OF A COUNTERCLAIM IN SUCH LEGAL PROCEEDING.

(e) BORROWER HEREBY WAIVES TRIAL BY JURY IN ANY LEGAL PROCEEDING RELATING TO THIS SECURITY INSTRUMENT, THE LOAN OR ANY OF THE OTHER LOAN DOCUMENTS.

4.09 Counting of Days. The term "days" when used herein shall mean calendar days. If any time period ends on a Saturday, Sunday or holiday officially recognized by the State within which the Property is located, the period shall be deemed to end on the next succeeding business day. The term "**business day**" or "**Business Day**" when used herein shall mean a weekday, Monday through Friday, except a legal holiday or a day on which banking institutions in New York, New York are authorized by law to be closed.

4.10 Application of the Proceeds of the Note/Subrogation. 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 Lender at Borrower's request and Lender 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, irrespective of whether said liens, security interests, charges or encumbrances are released.

4.11 Unsecured Portion of Indebtedness. If any part of the Indebtedness cannot be lawfully secured by this Security Instrument 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 unsecured by this Security Instrument.

4.12 Construction of this Document. This document may be construed as a mortgage, security deed, deed of trust, chattel mortgage, conveyance, assignment, security agreement, pledge, financing statement, hypothecation or contract, or any one or more of the foregoing, in order to fully effectuate the liens and security interests created hereby and the purposes and agreements herein set forth.

4.13 No Merger. It is the desire and intention of the parties hereto that this Security Instrument and the lien hereof do not merge in fee simple title to the Property.

4.14 Rights With Respect to Junior Encumbrances. Any person or entity purporting to have or to take a junior mortgage or other lien upon the Property or any interest therein shall be

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subject to the rights of Lender to amend, modify, increase, vary, alter or supplement this Security Instrument, the Note or any of the other Loan Documents and to extend the maturity date of the Indebtedness and to increase the amount of the Indebtedness and to waive or forebear the exercise of any of its rights and remedies hereunder or under any of the other Loan Documents and to release any collateral or security for the Indebtedness, in each and every case without obtaining the consent of the holder of such junior lien and without the lien or security interest of this Security Instrument losing its priority over the rights of any such junior lien.

4.15 After-Acquired Property. All property acquired by Borrower after the date of this Security Instrument which by the terms of this Security Instrument shall be subject to the lien and the security interest created hereby, shall immediately upon the acquisition thereof by Borrower and without further deed, conveyance or assignment become subject to the lien and security interest created by this Security Instrument.

4.16 Counterparts. This Security Instrument may be executed in any number of counterparts, each of which shall be effective only upon delivery and thereafter shall be deemed an original, and all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Any signature page of this Security Instrument may be detached from any counterpart of this Security Instrument without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Security Instrument identical in form hereto but having attached to it one or more additional signature pages.

4.17 Personal Liability. Notwithstanding anything to the contrary contained in this Security Instrument, the liability of Borrower for the Indebtedness and for the performance of the other agreements, covenants and obligations contained herein and in the other Loan Documents shall be limited as set forth in Section 7.18 of the Loan Agreement; provided, however, that nothing herein shall be deemed to be a waiver of any right which Lender may have under Sections 506(a), 506(b), 1111(b) or any other provisions of the Bankruptcy Act to file a claim for the full amount of the Indebtedness or to require that all collateral shall continue to secure all indebtedness owing to Lender in accordance with the Note, this Security Instrument and the other Loan Documents.

4.18 Relationship of the Parties; No Third Party Beneficiary. The relationship between Borrower and Lender is that of a debtor and a creditor only and neither of those parties is, nor shall it hold itself out to be, the agent, employee, joint venturer or partner of the other party. Neither the rights granted to Lender hereunder or in the other Loan Documents or the exercise by Lender of any remedies with respect to this Security Instrument or other Loan Documents shall be construed to make Lender a "mortgagee in possession" of the Property absent Lender itself taking actual possession of the Property. This Security Instrument is not intended by Borrower and Lender to confer, and shall not confer, benefits on behalf of any tenant or other occupant of the Property.

4.19 Fixture Filing. This Security Instrument shall be effective from the date of its recording as a financing statement filed as a fixture filing with respect to all goods constituting part of the Property which are or are to become fixtures.

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4.20 Local Law Provisions. The following state-specific provisions are hereby fully incorporated into this Security Instrument:

(a) Inconsistencies. In the event of any inconsistencies between the terms and conditions of this Section 4.20 and the other provisions of this Security Instrument, the terms and conditions of this Section 4.20 shall control and be binding.

(b) Illinois Mortgage Foreclosure Law.

(i) In the event that any provision in this Security Instrument shall be inconsistent with any provision of the Illinois Mortgage Foreclosure Law (735 ILCS 5/15-1101 et seq. herein called the "Act"), the provisions of the Act shall take precedence over the provisions of this Security Instrument, but shall not invalidate or render unenforceable any other provision of this Security Instrument that can be construed in a manner consistent with the Act.

(ii) If any provision of this Security Instrument shall grant to Lender any rights or remedies upon the occurrence and during the continuation of an Event of Default which are more limited than the rights that would otherwise be vested in Lender under the Act in the absence of said provision, Lender shall be vested with the rights granted in the Act to the full extent permitted by law.

(iii) Without limiting the generality of the foregoing, all expenses incurred by Lender to the extent reimbursable under Sections 15-1510 and 15-1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether or not enumerated in this Security Instrument, shall be added to the Debt.

(iv) Borrower acknowledges that the transaction of which this Security Instrument is a part is a transaction which does not include either agricultural real estate (as defined in Section 15-1201 of the Act) or residential real estate (as defined in Section 15-1219 of the Act), and to the full extent permitted by law, hereby voluntarily and knowingly waives its rights to reinstatement and redemption to the extent allowed under Section 15-1610(b) of the Act, and to the full extent permitted by law, the benefits of all present and future valuation, appraisal, homestead, exemption, stay, redemption and moratorium laws under any state or federal law.

(v) Borrower and Lender shall have the benefit of all of the provisions of the Act, including all amendments thereto which may become effective from time to time after the date hereof. In the event any provision of the Act which is specifically referred to herein may be repealed, Lender shall have the benefit of such provision as most recently existing prior to such repeal, as though the same were incorporated herein by express reference.

(c) Borrower Waivers.

(i) Borrower agrees, to the fullest extent that Borrower may lawfully so agree, that Borrower will not at any time insist upon or plead or in any manner whatsoever claim the benefit of any valuation, stay, extension, or exemption law now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Security Instrument or the



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absolute sale of the Property or the possession thereof by any purchaser at any sale made pursuant to any provision hereof, or pursuant to the decree of any court of competent jurisdiction; but Borrower, for Borrower and all who may claim through or under Borrower, so far as Borrower or those claiming through or under Borrower now or hereafter lawfully may, hereby waives the benefit of all such laws. Borrower, to the extent Borrower may lawfully do so, hereby waives any and all right to have the Property marshaled upon any foreclosure of this Security Instrument, or sold in inverse order of alienation, and agrees that Lender or any court having jurisdiction to foreclose this Security Instrument may sell the Property as an entirety. If any law now or hereafter in force referred to in this Section 4.20 of which Borrower or Borrower's successor or successors might take advantage despite the provisions hereof, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to constitute any part of the contract herein contained or to preclude the operation or application of the provisions of this Section 4.20.

(j) In the event of the commencement of judicial proceedings to foreclose this Security Instrument, Borrower, on behalf of Borrower, its successors and assigns, and each and every person or entity they may legally bind acquiring any interest in or title to the Property subsequent to the date of this Security Instrument: (A) expressly waives any and all rights of appraisal, valuation, stay, extension and (to the extent permitted by law) reinstatement and redemption from sale under any order or decree of foreclosure of this Security Instrument; and (B) to the extent permitted by applicable law, agrees that when sale is had under any decree of foreclosure of this Security Instrument, upon confirmation of such sale, the officer making such sale, or his successor in office, shall be and is authorized immediately to execute and deliver to any purchaser at such sale a deed conveying the Property, showing the amount paid therefor, or if purchased by the person in whose favor the order or decree is entered, the amount of his bid therefor.

(d) Maximum Amount Secured. The maximum principal indebtedness secured by this Security Instrument shall not exceed two hundred percent (200%) of the face amount of the Note.

(e) No Lien Management Agreements. Borrower shall include a "no lien" provision in any property management agreement hereafter entered into by Borrower with a property manager for the Property, whereby the property manager waives and releases any and all mechanics' lien rights that the property manager, or anyone claiming through or under the property manager, may have pursuant to 770 ILCS 60/1. Such property management agreement containing such "no lien" provision or a short form thereof shall, at Lender's request, be recorded with the Recorder of Deeds of Cook County, Illinois, as appropriate.

(f) Collateral Protection Act. Unless Borrower provides Lender with evidence of the insurance required by this Security Instrument or any other Loan Document, Lender may purchase insurance at Borrower's expense to protect Lender's interest in the Property or any other collateral for the indebtedness secured hereby. This insurance may, but need not, protect Borrower's interests. The coverage Lender purchases may not pay any claim that Borrower makes or any claim that is made against Borrower in connection with the Property or any other collateral for the indebtedness secured hereby. Borrower may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Borrower has

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obtained insurance as required under by this Security Instrument or any other Loan Document. If Lender purchases insurance for the Property or any other collateral for the indebtedness secured hereby, Borrower shall be responsible for the costs of that insurance, including interest in any other charges that Lender may lawfully impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the indebtedness secured hereby. The costs of the insurance may be more than the cost of insurance that Borrower may be able to obtain on its own.

(g) Fixture Filing. This Security Instrument shall also constitute a "fixture filing" for the purposes of the UCC against all of the Property which is or is to become fixtures. Information concerning the security interest herein granted may be obtained at the addresses of Debtor (Borrower) and Secured Party (Lender) as set forth in the introductory paragraph of this Security Instrument.

(h) Future Advances. This Security Instrument secures not only present indebtedness but also future advances, whether such future advances are obligatory or are to be made at the option of Lender, or otherwise. The amount of indebtedness secured hereby may increase or decrease from time to time, and the rate or rates of interest payable may vary from time to time.

(i) Loan Made for Business Purposes. Borrower acknowledges and agrees that (A) the Indebtedness is secured by a mortgage on real estate and is thus an exempted transaction in accordance with subparagraph (1)(1) of Section 4 of the Interest Act, as amended, 815 ILCS 205/4(1)(1); (B) the secured indebtedness has been incurred by Borrower solely for business purposes of Borrower and for Borrower's investment or profit, as contemplated by said Section 4; (C) the secured indebtedness constitutes a loan secured by real estate within the purview of and as contemplated by said Section 4; and (D) the secured indebtedness is an exempted transaction under the Truth-In-Lending Act, 15 U.S.C. Sec. 1601 et. seq. and has been entered into solely for business purposes of Borrower and for Borrower's investment or profit, as contemplated by said section.

(j) Insurance. Wherever provision is made in this Security Instrument for insurance policies to bear mortgagee clauses or other loss payable clauses or endorsements in favor of Lender, or to confer authority upon Lender to settle or participate in the settlement of losses under policies of insurance or to hold and disburse or otherwise control use of insurance proceeds, from and after the entry of judgment of foreclosure, all such rights and powers of Lender shall continue in Lender as judgment creditor or mortgagee until confirmation of sale.

(k) Protective Advances.

(i) All advances, disbursements and expenditures made or incurred by Lender before and during a foreclosure, and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by this Security Instrument or by the Act (collectively, the "Protective Advances"), shall have the



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benefit of all applicable provisions of the Act, including those provisions of the Act hereinbelow referred to:

(A) all advances by Lender in accordance with the terms of this Security Instrument to: (1) preserve, maintain, repair, restore or rebuild the Improvements upon the Property; (2) preserve the lien of this Security Instrument or the priority thereof; or (3) enforce this Security Instrument, as referred to in Subsection (b)(5) of Section 15-1302 of the Act;

(B) payments by Lender of: (1) principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrance; (2) real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Property or any part thereof; (3) other obligations authorized by this Security Instrument; or (4) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 15-1505 of the Act;

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

(D) attorney's fees and other costs incurred: (1) in connection with the foreclosure of this Security Instrument as referred to in Sections 15-1504(d)(2) and 15-1510 of the Act; (2) in connection with any action, suit or proceeding brought by or against Lender for the enforcement of this Security Instrument or arising from the interest of Lender hereunder; or (3) in connection with the commencement, prosecution or defense of any other action related to this Security Instrument or the Property;

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

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

(G) expenses incurred and expenditures made by Lender for any one or more of the following: (1) if the Property or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof deemed by Lender to be required to be paid; (2) if the Borrower's interest in the Property is a leasehold estate under a lease or sublease, rentals or other payments required to be made by the lessee under the terms of the lease or sublease; (3) premiums for casualty and liability insurance paid by Lender whether or not Lender or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing 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; (4) repair or restoration of damage or destruction in excess

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of available insurance proceeds or condemnation awards; (5) payments deemed by Lender to be required for the benefit of the Property or required to be made by the owner of the Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Property; (6) shares or common expense assessments payable to any association or corporation in which the owner of the Property is a member in any way affecting the Property; (7) if the loan secured hereby is a construction loan, costs incurred by Lender for demolition, preparation for and completion of construction, as may be authorized by the applicable commitment, loan agreement or other agreement; (8) payments deemed by this Security Instrument to be required pursuant to any lease or other agreement for occupancy of the Property; and (9) if this Security Instrument is insured, payments of FHA or private mortgage insurance required to keep such insurance in force.

(ii) All Protective Advances shall be so much additional indebtedness secured by this Security Instrument, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the Default Interest Rate provided for in the Note.

(iii) This Security Instrument shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Security Instrument is recorded pursuant to Subsection (b)(3) of Section 15-1302 of the Act.

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

(A) determination of the amount of indebtedness secured by this Security Instrument at any time;

(B) the indebtedness found due and owing to Lender in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or findings by the court of any additional indebtedness becoming due after such entry or judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purposes;

(C) if right of redemption has not been waived by this Security Instrument, computation of amount required to redeem, pursuant to Subsection (d) of Section 15-1603 of the Act;

(D) determination of amounts deductible from sale proceeds pursuant to Section 15-1512 of the Act;

(E) application of income in the hands of any receiver or Lender in possession; and

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(F) computation of any deficiency judgment pursuant to Subsections (b)(2) and (3) of Sections 15-1508 and Section 15-1511 of the Act.

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

(m) Construction Mortgage. This Security Instrument secures an obligation incurred for the construction of an improvement on the land mortgaged herein, including the acquisition cost of the land, and constitutes a "construction mortgage" within the meaning of 810 ILCS 5/9-334(h).

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COOK COUNTY  
RECORDER OF DEEDS  
SCANNED BY \_\_\_\_\_

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IN WITNESS WHEREOF, Borrower, intending to be legally bound hereby, has duly executed this Security Instrument as of the day and year first above written.

**BORROWER:**

**635-647 W. ROOSEVELT ROAD, LLC**, an Illinois limited liability company

By: West Roosevelt Ventures, LLC, an Illinois limited liability company, its Manager

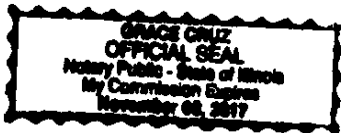
By:   
Jerome Karp, its Manager

STATE OF ILLINOIS

COUNTY OF COOK

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The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of October, 2014, by Jerome Karp, the Manager of West Roosevelt Ventures, LLC, an Illinois limited liability company, the Manager of 635-647 W. Roosevelt Road, LLC, an Illinois limited liability company.



  
Notary Public

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## EXHIBIT A

### LEGAL DESCRIPTION

#### PARCEL 1:

LOT 3 (EXCEPT THE NORTH 42.00 FEET THEROF TAKEN FOR STREET) AND LOT 6 IN SHOUP'S SUBDIVISION OF LOT 4 IN BLOCK 67 IN CANAL TRUSTEES' SUBDIVISION OF BLOCKS AND LOTS IN THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

#### PARCEL 2:

A PARCEL OF LAND IN THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, CONSISTING OF A PART OF LOT 2 AND ALL OF LOT 7 IN THE SUBDIVISION OF LOT 4 IN BLOCK 67 IN CANAL TRUSTEES' SUBDIVISION IN THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT BLOCKS 57 AND 58) SAID PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTH LINE OF WEST ROOSEVELT ROAD AS WIDENED, WITH THE EAST LINE OF SAID LOT 2 IN THE SUBDIVISION OF LOT 4 AND RUNNING THENCE SOUTH ALONG SAID EAST LINE OF LOT 2 AND ALONG THE EAST LINE OF SAID LOT 7, A DISTANCE OF 131.32 FEET TO THE SOUTHEAST CORNER OF SAID LOT 7; THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 7, A DISTANCE OF 25.07 FEET TO THE SOUTHWEST CORNER OF LOT 7; THENCE NORTH ALONG THE WEST LINE OF SAID LOT 7 AND ALONG THE WEST LINE OF SAID LOT 2, A DISTANCE OF 131.32 FEET TO THE SOUTH LINE OF SAID WEST ROOSEVELT ROAD, AS WIDENED; AND THENCE EAST ALONG SAID SOUTH LINE OF WEST ROOSEVELT ROAD AS WIDENED, A DISTANCE OF 25.07 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

#### PARCEL 3:

SUBLOT 4 (EXCEPT THE NORTH 42.00 FEET) AND SUBLOT 5 OF LOT 4; ALSO,

THE EAST 59.00 FEET OF LOT 5 (EXCEPT THE NORTH 42.00 FEET) IN BLOCK 67 IN CANAL TRUSTEES' NEW SUBDIVISION OF BLOCKS IN THE NORTHWEST 1/2 OF SECTION 21, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPTING THEREFROM:

THAT PART OF THE NORTH 1/2 OF VACATED WEST 12TH PLACE (DESCRIBED BY ORDER PASSED BY THE CITY COUNCIL OF CHICAGO ON JANUARY 20, 1984, PAGE

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4653), LYING SOUTH OF THE ADJOINING SOUTH LINE OF SUB-LOT 5 OF LOT 4 AND THE EAST 59.00 FEET OF LOT 5 IN BLOCK 67 IN CANAL TRUSTEES' NEW SUBDIVISION OF BLOCKS IN THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 39 NORTH RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

EASEMENT FOR INGRESS AND EGRESS FOR THE BENEFIT OF PARCELS 1, 2 AND 3 PURSUANT TO GRANT OF EASEMENT RECORDED NOVEMBER 15, 1984 AS DOCUMENT 27338040 OVER THAT PART OF THE VACATED 12TH PLACE PER VACATION ORDINANCE RECORDED NOVEMBER 14, 1984 AS DOCUMENT 27336633.

PINs: 17-21-101-039, 040, 041 and 042 and 17-21-101-011 and 014

Common Address: 635-647 W. Roosevelt Road, Chicago, IL 60607

**COOK COUNTY  
RECORDER OF DEEDS  
SCANNED BY \_\_\_\_\_**