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Illinois Anti-Predatory Lending Database Program



Doc#: 1434219118 **Fee:** \$90.00
RHSP Fee:\$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 12/08/2014 02:19 PM Pg: 1 of 27

Certificate of Exemption

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN:** 10-29-101-004-0000, 10-29-101-006-0000, 10-29-101-007-0000,
10-29-101-011-0000, & 10-29-208-023-0000

Address:

Street: 7800 N. Austin Avenue

Street line 2:

City: Skokie

State: IL

ZIP Code: 60077

Lender: Merchants and Manufacturers Bank

Borrower: Castwell Products, LLC

Loan / Mortgage Amount: \$3,500,000.00

This property is located within the program area and the transaction is exempt from the requirements of 765 ILCS 77/70 et seq. because the application was taken by an exempt entity.

Certificate number: 69E5E05E-0754-48BF-B2B2-A5E6FBC3BD49

Execution date: 12/05/2014

Property of Cook County Clerk's Office

Fidelity OC14001137

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**PREPARED BY AND UPON
RECORDATION RETURN TO:**

Edwards Wildman Palmer LLP
225 W. Wacker Dr., Suite 3000
Chicago, IL 60606
Attn: Robert E. Horwath, Jr.

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING IS SUBJECT TO THE TERMS AND CONDITIONS OF THAT CERTAIN INTERCREDITOR AGREEMENT DATED AS OF DECEMBER 5, 2014 BY AND BETWEEN MERCHANTS AND MANUFACTURERS BANK AND BANK OF AMERICA, N.A. (AS SUCCESSOR BY MERGER TO LASALLE BANK, N.A., AS SUCCESSOR BY MERGER TO LASALLE BUSINESS CREDIT, LLC) (AS AMENDED, RESTATED OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "INTERCREDITOR AGREEMENT").

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

CASTWELL PRODUCTS, LLC,
a Delaware limited liability company

(Entity Identification Number: 20-8276555)

Mortgagor (Debtor)

AND

MERCHANTS AND MANUFACTURERS BANK

Mortgagee (Secured Party)

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

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made as of the 5th day of December, 2014, by CASTWELL PRODUCTS, LLC, a limited liability company duly organized under the laws of the State of Delaware (the "Mortgagor" and "Debtor"), with an address at 7800 N. Austin Ave., Skokie, IL 60077, in favor of MERCHANTS AND MANUFACTURERS BANK, with an address at One Mid-America Plaza, Oakbrook Terrace, IL 60181 (together with its successors and assigns in such capacity, the "Mortgagee").

WHEREAS, the Mortgagor is the owner of certain tracts or parcels of land described in Exhibit A attached hereto and made a part hereof, together with the improvements now or hereafter erected thereon;

WHEREAS, pursuant to that certain Credit Agreement dated as of December 5, 2014, by and between the Mortgagor and the Mortgagee (such agreement, together with any amendments, extensions, restatements, supplements or modifications thereto from time to time, collectively, the "Credit Agreement"), the Mortgagee has agreed to extend a term loan to the Mortgagor;

WHEREAS, capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Credit Agreement;

WHEREAS, in connection with the Credit Agreement and each other Loan Document to which Mortgagor is a party, the Mortgagor has agreed to deliver this Mortgage as security for all of the Obligations (as defined in the Credit Agreement).

NOW, THEREFORE, for the purpose of securing the payment and performance of the Obligations, the Mortgagor, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, does hereby mortgage, warrant, give, convey, assign, transfer, hypothecate, pledge, set over and confirm unto the Mortgagee, and does agree that the Mortgagee shall have a mortgage lien on and security interest in all of the Mortgagor's right, title, and interest in, to and under the following described property, all accessions and additions thereto, all substitutions therefor and replacements and proceeds thereof, and all reversions and remainders of such property now owned or held or hereafter acquired subject to Permitted Encumbrances (the "Property"), to wit:

(a) the premises described in Exhibit A, together with all of the easements, rights of way, privileges, liberties, hereditaments, gores, streets, alleys, passages, ways, waters, watercourses, rights and appurtenances thereunto belonging or appertaining, and all of the Mortgagor's estate, right, title, interest, claim and demand therein and in the public streets and ways adjacent thereto, either in law or in equity (the "Land");

(b) all the buildings, structures and improvements of every kind and description now or hereafter erected or placed on the Land which constitute real property under applicable law (the "Improvements");

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(c) all real property fixtures of any kind, as defined under the law of the state where the Land is located (the “Fixtures”);

(d) all rents arising or issuing from the Land and the Improvements (the “Rents”) including the Rents arising or issuing from all leases, licenses, subleases or any other use or occupancy agreement now or hereafter entered into covering all or any part of the Land and the Improvements (the “Leases”), all of which Leases and Rents are hereby assigned to the Mortgagee by the Mortgagor, subject to Section 4(d) hereof. The foregoing assignment extends to the Rents arising both before and after the commencement by or against the Mortgagor of any case or proceeding under any Federal or State bankruptcy, insolvency or similar law, and is intended as an absolute assignment and not merely the granting of a security interest. The Mortgagor, however, shall have a revocable license to collect, retain and use the Rents so long as no Event of Default shall have occurred and be continuing. The Mortgagor will execute and deliver to the Mortgagee, upon reasonable notice, such additional assignments and instruments as the Mortgagee may reasonably require to implement, confirm, maintain and continue the assignment of the Rents hereunder;

(e) all proceeds of any insurance policies that may now or hereafter cover the Property for damage to the Property up to the then outstanding monetary amount of the Obligations, including the right to receive and apply the proceeds of any insurance judgments or settlements made in lieu thereof in accordance with Section 6(b);

(f) all awards or payments, including interest thereon, and the right to receive the same, which may heretofore or hereafter be made with respect to the whole or part of the Property, whether from the exercise of the right of eminent domain (including any proceeding or transfer in lieu of or in anticipation of the exercise of such right), or for any other injury to or decrease in the value of the Property, including any award resulting from a change of any streets (whether as to grade, access or otherwise) and any award for severance damages; and

(g) all proceeds of the foregoing.

TO HAVE AND TO HOLD the same unto the Mortgagee, its successors and assigns, forever, hereby expressly waiving and releasing any and all right, benefit, privilege, advantage or exemption under and by virtue of any and all statutes and laws of the state or other jurisdiction where the Property is located providing for the exemption of homesteads from sale on execution or otherwise.

This Mortgage shall continue in effect (notwithstanding the fact that from time to time there may be no Obligations outstanding) until such time (the “Mortgage Satisfaction Date”) as (i) the Credit Agreement has terminated pursuant to its express terms and (ii) all of the Obligations have been indefeasibly paid and performed in full in cash and all commitments of the Mortgagee which would give rise to any Obligations are terminated. The Obligations are to be satisfied in full on or before February 5, 2022 as provided in the Credit Agreement.

Notwithstanding the principal amount of the Obligations, and notwithstanding the future advance clause set forth in Section 28 of this Mortgage, Mortgagee has agreed that Mortgagee’s recovery in any foreclosure against the real property (including fixtures) described in this

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Mortgage shall be limited in the aggregate to the principal sum of \$7,000,000.00 plus interest, fees, expenses, and any protective advances made hereafter for taxes, assessments, insurance and security regarding any of the mortgaged property described in this Mortgage. This provision shall not limit the ability of Mortgagee (i) to accept a deed in lieu of foreclosure with respect to any real property described in this Mortgage, (ii) to obtain and enforce a personal judgment against the Borrower, the Mortgagor or any guarantor of the Obligations, or (iii) to recover all or any portion of the Obligations against any real or personal property securing the Obligations other than the real property (including fixtures) described in this Mortgage.

1. Representations and Warranties. The Mortgagor represents and warrants to the Mortgagee that (i) the Mortgagor has good and marketable title to an estate in fee simple absolute in the Land and the Improvements and has all right, title and interest in all other property constituting a part of the Property, each free and clear of any liens, claims or interests (other than the Permitted Encumbrances); (ii) its name, type of organization and jurisdiction of organization are true and complete as set forth on the cover page of this Mortgage; (iii) it has the full power and lawful authority to mortgage, warrant, grant, bargain, sell, release, convey, assign, transfer, pledge, set over and confirm unto the Mortgagee the Property; (iv) this Mortgage is a valid and enforceable first lien on the Property (subject only to any applicable Permitted Encumbrances); (v) the Property is not used for agricultural or farming purposes; and (vi) the Property is not a residential or homestead property. Until the termination of this Mortgage by the Mortgagee, the Mortgagor shall preserve such title as it warrants herein and the validity and priority of the lien hereof (subject to Permitted Encumbrances) and shall forever warrant and defend the same to the Mortgagee against the claims of all persons (other than the holders of Permitted Encumbrances).

2. Affirmative Covenants. Until the Mortgage Satisfaction Date, or this Mortgage shall otherwise be terminated by the Mortgagee, the Mortgagor shall:

(a) pay or perform, or cause to be paid and performed, all Obligations when due as provided in the Loan Documents;

(b) use and permit others to use the Property only for its present use and for such other uses as are permitted by the terms and conditions of the Credit Agreement, applicable laws, or any other uses approved in writing by the Mortgagee;

(c) in the event any law is enacted or adopted or amended after the date of this Mortgage which imposes a tax, either directly or indirectly, on the Mortgagor or the Mortgagee's interest in the Property, the Mortgagor will pay such tax prior to delinquency, with interest and penalties thereon, if any;

(d) notify the Mortgagee within three (3) Business Days after the Mortgagor obtains written notice of the institution of any proceedings with respect to the Property for condemnation, rezoning, revocation of permits, levy, seizure, attachment, or forfeiture, or any other material and adverse matter pursuant to which the value of the Property could be significantly impaired;

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(e) if the lien or security interest created by this Mortgage, or the validity, enforceability or priority thereof or of this Mortgage, or if title or any of the rights of the Mortgagor or the Mortgagee in or to the Property, shall be materially and adversely affected, or if any action or proceeding is instituted against the Mortgagor, or the Mortgagee with respect thereto, the Mortgagor will within three (3) Business Days after receipt of written notice thereof notify the Mortgagee thereof and will diligently take such action as may be required to cure any materially adverse defect affecting the Property and will take all necessary steps for the defense of such action, including the employment of counsel, the prosecution or defense of litigation and (subject to the Mortgagee's approval, not to be unreasonably withheld, conditioned or delayed) the release or discharge of any and all materially adverse claims. During the continuance of an Event of Default, the Mortgagee shall have the right to appear in and defend any such actions or proceedings (whether or not originally named as a party to such actions or proceedings) and during the continuance of an Event of Default, is hereby authorized and empowered (but shall not be obligated) to take such additional steps as it may reasonably deem necessary or proper, in the name and on behalf of the Mortgagor, for the defense of any such action or proceeding or at any time for the protection of the lien, security interest, validity, enforceability or priority of this Mortgage or of such title or rights, including the employment of counsel, the institution, prosecution or defense of litigation, the compromise, release or discharge of such adverse claims, the purchase of any tax title and the removal of such prior liens and security interests;

(f) pay mortgage and intangible taxes and all filing, registration and recording fees, all re-filing, re-registration and re-recording fees, and all actual expenses incident to the execution, filing, recording and acknowledgment of this Mortgage, and, to the extent required pursuant to the terms hereof, any security agreement or mortgage supplemental hereto and any instrument of further assurance, and all Federal, state, county and municipal stamp taxes, mortgage taxes, intangible taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery, filing and/or recording of this Mortgage, the Credit Agreement or any of the other Loan Documents, any security agreement or mortgage supplemental hereto or any instruments of further assurance (to the extent not paid by the Borrower);

(g) maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations, but in no event providing for less coverage than set forth in Section 8.4 of the Credit Agreement; and in the event the Property or any portion thereof is located in any area that has been designated by the Federal Emergency Management Agency as a "Special Flood Hazard Area", purchase and maintain flood insurance on such Property (including any personal property which is located thereon). The amount of flood insurance shall be in an amount equal to the total replacement cost value of the improvements. All insurance policies required hereunder shall name the Mortgagee as an additional insured or as a loss payee, as applicable, and shall contain loss payable clauses or mortgagee clauses, through endorsements in form and substance reasonably satisfactory to the Mortgagee, which provide that: (i) all proceeds thereunder with respect to the Property shall be payable to the Mortgagee; (ii) no such insurance shall be affected by any act or neglect of the insured or owner of the property described in such policy; and (iii) such policy and loss payable or mortgagee clauses may be canceled, amended, or terminated only upon at least thirty days prior written notice given to the Mortgagee. All premiums on any such insurance

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shall be paid when due by Mortgagor, and copies of the policies delivered to the Mortgagee. If Mortgagor fails to obtain any insurance as required hereby, Mortgagee may obtain such insurance at the Mortgagor's expense. By purchasing such insurance, the Mortgagee shall not be deemed to have waived any Event of Default arising from Mortgagor's failure to maintain such insurance or pay any premiums therefor;

(h) pay or cause to be paid, before any fine, penalty, interest or cost attaches thereto, all taxes, assessments, water and sewer rates, utility charges and all other governmental or nongovernmental charges or levies now or hereafter assessed or levied against any part of the Property (including, without limitation, nongovernmental levies or assessments such as maintenance charges, owner association dues or charges or fees, levies or charges resulting from covenants, conditions and restrictions affecting the Property) or upon the lien or estate of the Mortgagee thereon, as well as all claims for labor, materials or supplies that, if unpaid, might by law become a prior lien thereon (collectively, "Impositions"), and within three (3) Business Days after written request by the Mortgagee will exhibit receipts showing payment of any of the foregoing; provided, however, that if by law any such Imposition may be paid in installments (whether or not interest shall accrue on the unpaid balance thereof), the Mortgagor may pay the same in installments (together with accrued interest on the unpaid balance thereof) as the same respectively become due, before any fine, penalty or cost attaches thereto. Additionally, the Mortgagor shall have the right to pay any such Imposition under protest or to otherwise contest any such Imposition in a prompt manner provided that and so long as (i) the Mortgagor has complied with any statutory conditions precedent to bringing such a challenge, including, if required, paying the amount in good faith admitted as due and owing, so that such contest has the effect of preventing the collection of such Imposition, so contested and also preventing the sale or forfeiture of the Property or any part thereof or any interest therein, (ii) the Mortgagor has notified the Mortgagee in writing of its intent to contest such Imposition and prosecutes such contest in good faith and with diligence, (iii) the Mortgagor has deposited security in form and amount satisfactory to the Mortgagee, in its reasonable judgment, and increases the amount of such security so deposited within three (3) Business Days after the Mortgagee's reasonable written request therefor, (iv) the Property or any part thereof or interest therein is not in danger or jeopardy of being sold or forfeited, (v) proceedings to collect such Imposition are indeed stayed or not otherwise occurring and (vi) the Mortgagor shall keep the Mortgagee reasonably apprised of the status of such proceedings. If the Mortgagor fails to timely commence such contest or, having commenced to contest the same, shall thereafter fail in any material respect to prosecute such contest in good faith or with due diligence, shall fail in any material respect to meet the above-described requirements, or, upon adverse conclusion of any such contest, shall fail in any material respect to pay such Imposition, the Mortgagee, without limiting its other rights and remedies, may at its election upon three (3) Business Days' written notice may (but shall not be required to) pay and discharge any such Imposition, and any interest or penalty thereon, and any amounts so expended by the Mortgagee shall be repaid by the Mortgagor within three (3) Business Days of written demand of the Mortgagee;

(i) not permit the Improvements or Fixtures to be removed or demolished (provided, however, that the Mortgagor may remove or alter such Improvements that become obsolete in the usual conduct of the Mortgagor's business and the removal or alteration of which Improvements does not materially detract from the operation of the Mortgagor's business); (ii) maintain the Property in reasonably good repair, working order and condition (reasonable wear

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and tear excepted); and (iii) without limiting, and subject to, Section 8.3 of the Credit Agreement, restore and repair the Improvements or any part thereof now or hereafter affected by any casualty or condemnation (provided, however, that the Mortgagor shall not be required to spend more than the insurance or condemnation proceeds received by the Mortgagor and made available to the Mortgagor by the Mortgagee, except to the extent that such restoration and repair may be necessary to prevent the occurrence of reasonably anticipated waste with respect to the Property, including without limitation to (A) provide proper security, (B) winterize, (C) repair and otherwise ensure against any leaks, hazards or health or safety issues, and (D) repair casualties to the extent that, if not repaired, additional waste would likely result);

(j) comply with all legal requirements of all applicable governmental authorities, including, without limitation, Environmental Laws, in accordance with the Credit Agreement and the Environmental Indemnity and comply with the provisions of all governmental approvals and consents and all licenses, agreements and private covenants, conditions and restrictions that at any time are applicable to the Property; and

(k) if any lien or security interest other than the Permitted Encumbrances is asserted against the Property, Mortgagor shall promptly, and its expense (a) give Mortgagee written notice of such lien or security interest (including origin, amount and other terms), and (b) pay the underlying claim in full or take such other action so as to cause it to be released or contest the same (provided that Mortgagor provides a bond or other satisfactory security to Mortgagee).

3. Negative Covenants. Until the Mortgage Satisfaction Date, or this Mortgage shall otherwise be terminated by the Mortgagee, the Mortgagor shall not:

(a) except as otherwise permitted by the terms and conditions of the Credit Agreement or other Loan Documents, (i) sell, convey or otherwise transfer any interest in the Property (whether voluntarily or by operation of law), or agree to do so, without the Mortgagee's prior written consent, except in favor of the Mortgagee, (ii) permit any of the Fixtures to be removed at any time from the Land or Improvements, unless the removed item is removed temporarily for maintenance and repair or, if removed permanently, is obsolete and is replaced by an article of equal or better suitable value, owned by Mortgagor and free and clear of any lien or security interest except those in favor of Mortgagee, or (c) incorporate into the Property any Fixture or other property that is not owned by Mortgagor free and clear of all liens or security interests except the liens and security interests in favor of Mortgagee or that are agreed to by Mortgagee;

(b) initiate, join in or consent to any change in any private restrictive covenant, zoning ordinance or other public or private restrictions limiting or defining the uses that may be made of the Property of any part thereof without the prior written consent of the Mortgagee unless required by applicable law, which consent shall not be unreasonably withheld, conditioned or delayed, provided that so long as no Event of Default exists, the Mortgagor shall be permitted to make such changes in the ordinary course of business so long as such changes do not impair the value of the Property or adversely affect the Property's intended use. The Mortgagor shall comply with the provisions of all governmental authority approvals and

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consents and all licenses, agreements and private covenants, conditions and restrictions that at any time are applicable to the Property; and

(c) take or permit any action with respect to the Property which will in any manner materially impair the security of this Mortgage or the use of the Property, including by creating or suffering to be created any Lien upon the Property prior to, on a parity with or subordinate to the lien of this Mortgage.

4. Assignment of Leases and Rents.

(a) Subject to Section 4(d) hereof, the Mortgagor hereby absolutely and unconditionally assigns to the Mortgagee, as part of the consideration for the transactions contemplated by this Mortgage and the other Loan Documents, the Rents and the Leases and other documents or instruments evidencing the Rents now or hereafter in effect and any and all deposits or letters of credit held as security under the Leases, it being intended by the Mortgagor and the Mortgagee that such assignment constitutes an absolute and present assignment and not an assignment for additional security only. Nothing contained in the foregoing sentence shall be construed to bind the Mortgagee to the performance of any of the covenants, conditions or provisions contained in any such Lease or other document or otherwise to impose any obligation on the Mortgagee (including any liability under the covenant of quiet enjoyment contained in any Lease) unless the Mortgagee actually enters and takes possession of the Property, except that the Mortgagee shall be accountable for any Rents, deposits, letters of credit or other money or security actually received pursuant to such assignment. Such assignment and grant shall continue in effect until the Mortgage Satisfaction Date, the execution of this Mortgage constituting and evidencing the irrevocable consent of the Mortgagor, during the continuance of an Event of Default, to the entry upon and taking possession of the Property by the Mortgagee pursuant to the terms hereof and the exercise by the Mortgagee of the rights and powers granted pursuant hereto or any other Loan Document, including, without limitation, those set forth in clauses (i) through (vii) below, regardless of whether foreclosure has been instituted and without applying for a receiver. Such assignment shall include, without limitation, during the continuance of an Event of Default:

(i) the immediate and continuing right to receive and collect all amounts payable by all tenants, including without limitation (A) all Rents, (B) all damages or other amounts payable in the event of any expiration or termination of any Lease pursuant to the terms thereof, by operation of law or otherwise, (C) any indemnification against, or reimbursement for, sums paid and costs and expenses incurred by the Mortgagor under any Lease or otherwise, (D) any award in the event of the bankruptcy of any tenant or guarantor of a Lease, and (E) all security deposits, other security instruments, other deposits or prepayments with respect to any such Leases;

(ii) all claims, rights, powers, privileges and remedies of the Mortgagor, whether provided for in any Lease or arising by statute or at law or in equity or otherwise, consequent on any failure on the part of any tenant to perform or comply with any term of any Lease;

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(iii) all right to take all action upon the happening of a default under any Lease as shall be permitted by any Lease or by law, including, without limitation, the commencement, conduct and consummation of proceedings at law or in equity;

(iv) the full power and authority, in the name of the Mortgagor, or otherwise, to enforce, collect, receive and make receipt for any and all of the foregoing and to do any and all other reasonable acts and things whatsoever which the Mortgagor, or any landlord is or may be entitled to do under any Lease;

(v) the full power and authority, in the name of the Mortgagor, or otherwise, to enforce any Lease;

(vi) the full power and authority, in the name of the Mortgagor, or otherwise, to lease the Property; and

(vii) the right to apply the Rents to the payment of the Obligations in accordance with the Credit Agreement.

(b) During the term hereof, all rights, powers and privileges of the Mortgagee herein set forth are coupled with an interest and are irrevocable, subject to the terms and conditions hereof, and the Mortgagor will not take any action under any Lease or otherwise which is inconsistent with this Mortgage or any of the terms hereof or thereof and any such action inconsistent herewith or therewith shall to the fullest extent permitted by Law, be void. Any further assignment of any rents, issues, or profits from the Property shall to the fullest extent permitted by law be void. To the fullest extent permitted by Law, the Mortgagor hereby waives any requirement that the Mortgagee commence any foreclosure proceeding with respect to any or all of the Property prior to enforcement of any remedies pursuant to this Section 4, including the right to commence and prosecute an action to appoint a receiver for rents and all other amounts due under any Leases. The Mortgagor will, from time to time, upon reasonable request of the Mortgagee, execute all reasonable instruments and further assurances and all reasonable supplemental instruments and take all such reasonable action as the Mortgagee from time to time may reasonably request in order to perfect, preserve and protect the interests intended to be assigned to the Mortgagee hereby.

(c) The Mortgagor hereby agrees that it will not, unilaterally or by agreement, without the prior written consent of the Mortgagee, not to be unreasonably withheld, conditioned or delayed, (i) enter into any Lease where the Mortgagor is the landlord, (ii) amend, modify, extend, discharge, terminate, surrender, waive or otherwise change any term of any Lease where the Mortgagor is the landlord or (ii) except for security or similar deposits, accept a prepayment of Rent in excess of Rent for one month. If any Lease shall be amended as permitted hereby, such Lease shall continue to be subject to the provisions hereof without the necessity of any further act by any of the parties hereto, subject to the provisions of any non-disturbance agreement which the Mortgagee may have granted in accordance with the provisions of this Mortgage.

(d) While an Event of Default is not continuing, the Mortgagee waives its rights under Section 4(a), (b) and (c) above, and grants Mortgagor a license to collect the Rents

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and enforce any rights, remedies, entitlements, benefits and/or powers assigned hereunder or granted to the Mortgagee, including, without limitation, those enumerated in clauses (i) through (vii) of Section 4(a). Such license to collect, receive and retain the Rents and enforce such rights, remedies, entitlements, benefits and/or powers shall be automatically revoked and the rights of the Mortgagor thereunder shall automatically cease and terminate upon the occurrence, and during the continuance, of an Event of Default under this Mortgage. During the continuance of an Event of Default, (i) the Mortgagor hereby authorizes the Mortgagee to receive and collect the Rents due under the terms of each Lease and to direct any tenant, by written notice from the Mortgagee or otherwise, to forward such Rents by mail or in person to the Mortgagee and (ii) the Mortgagor shall promptly pay to the Mortgagee any Rents held by or under the control of the Mortgagor. During the continuance of an Event of Default, the Mortgagor hereby irrevocably appoints and constitutes the Mortgagee as the Mortgagor's lawful attorney-in-fact, coupled with an interest and with full power of substitution, for the purpose of taking any of the actions described in the immediately preceding sentence and all acts incidental thereto. Following the revocation of the license herein granted and during the continuance of an Event of Default, the Mortgagee may retain and apply the Rents to the Obligations in accordance with Section 2.18 of the Credit Agreement, and irrespective of whether the Mortgagee shall have commenced a foreclosure of this Mortgage or shall have applied or arranged for the appointment of a receiver with respect thereto.

(e) Upon and during the continuance of an Event of Default, the Mortgagor hereby irrevocably authorizes and directs each tenant of the Property, upon receipt of written notice from the Mortgagee of an Event of Default, to pay all the Rents due or to become due under its Lease directly to the Mortgagee or to any appointed receiver of the mortgaged Property. Each such Tenant shall have the right to rely upon any such notice of the Mortgagee directing the payment of all Rents to the Mortgagee, without any obligation to inquire as to the actual existence of the Event of Default, notwithstanding any claim of the Mortgagor to the contrary and the Mortgagor shall have no rights or claims against any tenant for any Rents so paid to the Mortgagee. The Mortgagor shall upon request by the Mortgagee after the Event of Default, execute a written notice to each tenant directing the tenant to pay the Rents payable under such tenant's respective Lease to the Mortgagee. Each tenant is hereby expressly authorized and directed, upon demand by the Mortgagee in accordance with the terms of this Mortgage and without the necessity of any further consent by, or notice from, the Mortgagor, to attorn to the Mortgagee as the owner of the Leases and to pay any and all Rents due to the Mortgagor pursuant to such tenant's Lease directly to the Mortgagee or to any appointed receiver, and to observe and perform such tenant's obligations under the tenant's Lease to or for the Mortgagee and to accept performance of the landlord's obligations under the Lease from the Mortgagee. Each Tenant is hereby expressly relieved of any and all duty, liability or obligation to the Mortgagor in respect of all payments made in accordance with the preceding sentence. The payment of Rents to the Mortgagee pursuant to the Mortgagee's demand in accordance with the terms of this Mortgage, and the performance of obligations under any Lease to or for the benefit of the Mortgagee shall not cause the Mortgagee to assume or be bound by any of the provisions of any such Lease and shall not relieve the Mortgagor of its obligations thereunder.

5. Inspection of Property. Subject to the terms of the Credit Agreement, (A) the Mortgagee shall have the right to enter the Property at any reasonable hour, upon reasonable prior written notice to the Mortgagor, for the purpose of inspecting the order, condition and

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repair of the buildings and improvements erected thereon, as well as the conduct of operations and activities on the Property; and (B) the Mortgagee may enter the Property (and cause the Mortgagee's employees, agents and consultants to enter the Property), upon reasonable prior written notice to the Mortgagor, to conduct any and all environmental testing deemed appropriate by the Mortgagee in its reasonable discretion. Any environmental testing shall be accomplished by whatever means the Mortgagee may reasonably deem appropriate without interference with Mortgagor's use, occupancy and access of and to the Property, including the taking of soil samples and the installation of ground water monitoring wells or other intrusive environmental tests, and the Mortgagor shall provide the Mortgagee (and the Mortgagee's employees, agents and consultants) reasonable rights of access to the Property as well as such information about the Property and the past or present conduct of operations and activities thereon as the Mortgagee shall reasonably request.

6. Condemnation and Casualty Proceeds.

(a) The Mortgagor assigns to the Mortgagee, all of the Mortgagor's right, title and interest in all awards or payments, including interest thereon, and the right to receive the same, up to the then outstanding monetary amount of the Obligations, which may heretofore or hereafter be made with respect to the whole or part of the Property, whether from the exercise of the right of eminent domain (including any proceeding or transfer in lieu of or in anticipation of the exercise of such right), or for any other injury to or decrease in the value of the Property, including any award resulting from a change of any streets (whether as to grade, access or otherwise) and any award for severance damages. Any condemnation awards shall be held and applied by the Mortgagee in accordance with the Credit Agreement.

(b) The Mortgagor assigns to the Mortgagee all proceeds of any insurance policies that may now or hereafter cover the Property for damage to the Property up to the then outstanding monetary amount of the Obligations, including the right to receive and apply the proceeds of any insurance judgments or settlements made in lieu thereof in accordance with this Section 6(b). The Mortgagor may elect to repair or restore the Property in the event of a damage to the Property; provided, however, that (i) Mortgagor provides evidence to Bank that such insurance proceeds shall be sufficient to repair or restore such Property in a manner reasonably satisfactory to the Bank, (ii) if such proceeds are insufficient for such repairs or restoration (in Bank's discretion), the Mortgagor agrees to provide any additional funds required therefor and (iii) there shall then exist no Event of Default. If the Mortgagor so elects, subject to the conditions contained above, the Mortgagee shall make available all such proceeds and the Mortgagor shall repair or replace the damaged Property to substantially the same condition as existed before such damage. The Mortgagee shall, immediately upon reasonably satisfactory proof of expenditures or amounts due for such repair or replacement, pay or reimburse Mortgagor, or make payment on behalf of the Mortgagor, from such proceeds for the cost of repair or restoration. If the Mortgagor elects not to repair or restore the Property, such proceeds shall first be used to pay the then outstanding monetary amount of the Obligations and the remainder shall be immediately paid to the Mortgagor.

7. Events of Default. The occurrence of an "Event of Default" (as defined in the Credit Agreement) shall be an Event of Default hereunder.

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8. Rights and Remedies of the Mortgagee.

(a) During the continuance of an Event of Default, the Mortgagee may, at its option and without demand, notice or delay, do one or more of the following:

(i) declare the Obligations to be immediately due and payable, without further notice, presentment, protest, notice of intent to accelerate, notice of acceleration, demand or action of any nature whatsoever except those described in the Loan Documents (each of which is expressly waived by Mortgagor) whereupon the same shall become immediately due and payable;

(ii) (A) institute and maintain an action (i) of mortgage foreclosure against the Property and the interests of the Mortgagor therein, or (ii) on any instruments evidencing the Obligations or any portion thereof, or (B) take such other action at law or in equity, including entry upon the Property, for the enforcement of any of the Loan Documents as the law may allow, and in each such action described in this Section 8 the Mortgagee shall be entitled to all costs of suit and attorneys' fees;

(iii) with or without entry, to the extent permitted by applicable law, institute proceedings for the partial foreclosure of this Mortgage for the portion of the Obligations then due and payable, subject to the continuing lien of this Mortgage for the balance of the Obligations not then due;

(iv) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein or in any other Loan Document;

(v) recover judgment on the Credit Agreement or any other Loan Document either before, during or after any proceeding for the enforcement of this Mortgage;

(vi) apply for the appointment of a trustee, receiver, liquidator or conservator of the Property in accordance with applicable law;

(vii) enforce the Mortgagee's interest in the Leases and the Rents and enter into or upon the Property, either personally or by its agents, nominees or attorneys and dispossess the Mortgagor and its agents and employees therefrom, and thereupon the Mortgagee may (A) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with the Property and conduct the business thereat; (B) complete any construction on the Property in such manner and form as the Mortgagee deems advisable; (C) make alterations, additions, renewals, replacements and improvements to or on the Property; (D) exercise all rights and powers of the Mortgagor with respect to the Property, whether in the name of the Mortgagor or otherwise, including the right to make, cancel, enforce or modify the Leases, obtain and evict tenants, and demand, sue for, collect and receive the Rents; and (E) apply the receipts from the Property to the Obligations in Mortgagee's sole discretion, irrespective of whether the Mortgagee shall have commenced a foreclosure of this Mortgage or shall have applied or arranged for the appointment of a receiver with respect thereto; and

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(viii) be placed as “mortgagee in possession” or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Obligations. The mortgagee in possession or receiver may serve without bond if permitted by applicable law. Mortgagee’s right to appoint a receiver shall exist whether or not the apparent value of the Property exceeds the Obligations by a substantial amount, and employment by Mortgagee shall not disqualify any person from serving as receiver. If Mortgagor remains in possession of the Property after an Event of Default, and without Mortgagee’s prior written consent, Mortgagee may invoke any legal remedies to dispossess Mortgagor.

(b) The Mortgagee may exercise any right under this Section 8, whether or not the Mortgagee shall have entered into possession of any of the Property, and nothing herein contained shall be construed as constituting the Mortgagee a “mortgagee in possession”, unless the Mortgagee or its receiver shall have entered into and shall continue to be in actual possession of the Property. The Mortgagor hereby waives any right, claim or demand it may now or hereafter have against any such tenant by reason of such payment of the Rents or performance of obligations to the Mortgagee, and any such payment or performance to the Mortgagee shall discharge the obligations of the tenant to make such payment or performance to the Mortgagor.

(c) The Mortgagee shall have the right, in connection with the exercise of its remedies hereunder, to the appointment of a receiver to take possession and control of the Property or to collect the Rents, without notice and without regard to the adequacy of the Property to secure the Obligations. A receiver while in possession of the Property shall have the right to make repairs and to make improvements necessary or advisable in its or his opinion to preserve the Property, or to make and keep the Property rentable to the best advantage, and the Mortgagee may advance moneys to a receiver for such purposes. Any moneys actually expended or advanced by the Mortgagee or by a receiver shall be added to and become a part of the Obligations secured by this Mortgage.

(d) The proceeds of any sale made under or by virtue of this Section 8, together with any other sums which then may be held by the Mortgagee under this Mortgage, whether under the provisions of this paragraph or otherwise, shall be applied by the Mortgagee to the Obligations as follows:

(i) First: To the payment of the reasonable costs and expenses of any such sale, including of Mortgagee’s agents and counsel in connection therewith, and of any judicial proceedings wherein the same may be made, and of all reasonable expenses, liabilities and advances made or incurred by Mortgagee under this Mortgage.

(ii) Second: To the payment of the whole amount then due, owing or unpaid upon the Note for principal, together with any and all applicable interest, fees and late charges.

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(iii) Third: To the payment of any other sums required to be paid by Mortgagor pursuant to any provision of this Mortgage or of the Loan Documents.

(iv) Fourth: To the payment of the surplus, if any, to whomsoever may be lawfully entitled to receive the same.

(e) The Mortgagee may adjourn from time to time any sale by it to be made under or by virtue of this Mortgage by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, except as otherwise provided by any applicable law, the Mortgagee, without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.

(f) Upon any sale made under or by virtue of this Section 8, the Mortgagee may bid for and acquire the Property or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the Obligations the net sales price after deducting therefrom the reasonable expenses of the sale and reasonable costs of the action and any other reasonable sums which the Mortgagee is authorized to deduct under this Mortgage or any other Loan Document.

(g) No recovery of any judgment by the Mortgagee and no levy of an execution under any judgment upon the Property or upon any other property of the Mortgagor shall affect in any manner or to any extent the lien of this Mortgage upon the Property or any part thereof, or any liens, rights, powers or remedies of the Mortgagee hereunder, but such liens, rights, powers and remedies of the Mortgagee shall continue unimpaired as before.

(h) The Mortgagee may terminate or rescind any proceeding or other action brought in connection with its exercise of the remedies provided in this Section 8 at any time before the conclusion thereof, as determined in the Mortgagee's sole discretion and without prejudice to the Mortgagee.

(i) The Mortgagee may resort to any remedies and the security given by this Mortgage or in any other Loan Document in whole or in part, and in such portions and in such order as determined by the Mortgagee's sole discretion. No such action shall in any way be considered a waiver of any rights, benefits or remedies evidenced or provided by any Loan Document. The failure of the Mortgagee to exercise any right, remedy or option provided in any Loan Document shall not be deemed a waiver of such right, remedy or option or of any covenant or obligation secured by any Loan Document. No acceptance by the Mortgagee of any payment during the continuance of any Event of Default and no payment by the Mortgagee of any obligation for which the Mortgagor is liable hereunder shall be deemed to waive or cure any Event of Default, or the Mortgagor's liability to pay such obligation, unless the same results in a cure or waiver under the Credit Agreement. Until the Mortgage Satisfaction Date, no sale of all or any portion of the Property, no forbearance on the part of the Mortgagee, and no extension of time for the payment of the whole or any portion of the Obligations or any other indulgence given by the Mortgagee to the Mortgagor, shall operate to release or in any manner affect the interest of the Mortgagee in the remaining Property or the liability of the Mortgagor to pay the

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Obligations. No waiver by the Mortgagee shall be effective unless it is in writing and then only to the extent specifically stated.

(j) The interests and rights of the Mortgagee under the Loan Documents shall not be impaired by any indulgence, including (i) any renewal, extension or modification which the Mortgagee may grant with respect to any of the Obligations, (ii) any surrender, compromise, release, renewal, extension, exchange or substitution which the Mortgagee may grant with respect to the Property or any portion thereof or (iii) any release or indulgence granted to any maker, endorser, guarantor or surety of any of the Obligations.

(k) This Mortgage is subject to the terms and conditions of the Intercreditor Agreement.

9. **Application of Proceeds.** The Mortgagee shall apply the proceeds of any foreclosure sale of, or other disposition or realization upon, or Rents or profits from, the Property to the Obligations as follows:

(a) **First:** To the payment of the reasonable costs and expenses of any such sale or collection of Rents or profits, and of Mortgagee's agents and counsel in connection therewith, and of any judicial proceedings wherein the same may be made, and of all reasonable expenses, liabilities and advances made or incurred by Mortgagee under this Mortgage,

(b) **Second:** To the payment of the whole amount then due, owing or unpaid upon the Note for principal, together with any and all applicable interest, fees and late charges.

(c) **Third:** To the payment of any other sums required to be paid by Mortgagor pursuant to any provision of this Mortgage or of the Loan Documents.

(d) **Fourth:** To the payment of the surplus, if any, to whomsoever may be lawfully entitled to receive the same.

10. **Mortgagee's Right to Protect Security.** During the continuance of an Event of Default, the Mortgagee is hereby authorized to appear in and defend any action or proceeding purporting to affect the security hereof or the Mortgagee's rights or powers hereunder. If an Event of Default has occurred and is continuing, the Mortgagee is authorized to do any one or more of the following (x) purchase such insurance policies covering the Property as it may elect if the Mortgagor fails to maintain the insurance coverage required hereunder; and (y) take such action as the Mortgagee may determine to pay, perform or comply with any legal requirements, to cure any Events of Default and to protect its security in the Property.

11. **Appointment of Mortgagee as Attorney-in-Fact.** Without limiting similar rights or powers set forth in any other Loan Document, during the continuance of an Event of Default, the Mortgagee, or any of its officers, is hereby irrevocably appointed attorney-in-fact for the Mortgagor (without requiring any of them to act as such), such appointment being coupled with an interest, and the Mortgagee is hereby authorized by the Mortgagor, during the continuance of an Event of Default, to do any or all of the following: (a) collect the Rents during the continuance of an Event of Default; (b) execute, deliver and file, at the Mortgagor's sole cost

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and expense, such financing, continuation or amendment statements and other instruments as the Mortgagee may reasonably require in order to perfect, protect and maintain its security interest on the Property (or any portion thereof) under the Uniform Commercial Code (“UCC”) in effect in any applicable jurisdiction; (c) execute and/or record any notices of completion, cessation of labor or any other notices that Mortgagee deems appropriate to protect Mortgagee’s interest; or (d) perform any obligation of Mortgagor hereunder; provided, however, (i) Mortgagee shall not under any circumstance be obligated to perform any obligation of Mortgagor; (ii) any sums advanced by Mortgagee shall be added to and included in the Obligations and shall bear interest at the default rate; (iii) Mortgagee as such attorney-in-fact shall only be accountable for such funds as are actually received by Mortgagee; and (iv) Mortgagee shall not be liable to Mortgagor or any other person or entity for any failure to take any action which it is empowered to take under this Section.

12. Certain Waivers. The Mortgagor hereby waives and releases (i) all benefit that might accrue to the Mortgagor by virtue of any present or future law exempting the Property, or any part of the proceeds arising from any sale thereof, from attachment, levy or sale on execution, or providing for any appraisal, valuation, redemption, stay of execution, exemption from civil process or extension of time for payment, (ii) any rights of marshalling in the event of any sale hereunder of the Property, and (iii) unless specifically required herein, all notices of the Mortgagor’s default or of the Mortgagee’s election to exercise, or the Mortgagee’s actual exercise of any option under this Mortgage or any other Loan Document.

13. Notices. All notices, requests and demands to or upon the parties hereto shall be effected in the manner provided for in Section 12.17 of the Credit Agreement. The Mortgagor agrees that any notice, request or demand to or upon the Mortgagor hereunder may be made upon the Mortgagor at the address for the Borrower in the manner provided for in Section 12.17 of the Credit Agreement.

14. Security Agreement/Fixture Filing.

(a) This Mortgage shall constitute a “security agreement” and shall also constitute a “fixture filing” against all of the Property which is or is to become fixtures related to the Property and is acknowledged to be a “mortgage” under the UCC. The information in this Section 14 is provided so that this Mortgage shall comply with the requirements of the UCC for a mortgage instrument to be filed as a financing statement. The Mortgagor is the “Debtor”, it is the record owner of the Property, its name, type of organization, jurisdiction of organization, chief executive office and entity identification number (to the extent the Mortgagor’s state of organization assigns an entity identification number) is set forth on the cover page of this Mortgage. The Mortgagee is the “Secured Party” and its name and mailing address from which information concerning the security interest granted herein may be obtained are set forth in the preamble of this Mortgage. A statement describing the portion of the Property comprising the Fixtures hereby secured is set forth in the definition of Property.

(b) The Mortgagor shall execute and deliver to the Mortgagee such documents, instruments and further assurances, in each case in form and substance reasonably satisfactory to the Mortgagee, as the Mortgagee may, from time to time, reasonably consider necessary to create, perfect and preserve the Mortgagee’s security interest hereunder. The

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Mortgagor hereby irrevocably authorizes the Mortgagee to cause financing statements (and amendments thereto and continuations thereof) and any such documents, instruments and assurances to be recorded and filed, at such times and places as may be required or permitted by law to so create, perfect and preserve such security interest. Mortgagor further agrees that such financing statements may be filed against "all assets of the Mortgagor" or using language to like effect. The Mortgagor represents and warrants to the Mortgagee that its jurisdiction of organization is set forth in the preamble of this Mortgage.

15. **Further Acts.** The Mortgagor will, at the cost of the Mortgagor and without expense to the Mortgagee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as the Mortgagee shall, from time to time, reasonably require for the better assuring, conveying, assigning, transferring or confirming unto the Mortgagee the property and rights hereby mortgaged, or which the Mortgagor may be or may hereafter become bound to convey or assign to the Mortgagee, or for carrying out the intent of or facilitating the performance of the terms of this Mortgage or for filing, registering or recording this Mortgage. During the continuance of an Event of Default, the Mortgagor grants to the Mortgagee an irrevocable power of attorney coupled with an interest for the purpose of exercising and perfecting any and all rights and remedies available to the Mortgagee under this Mortgage, at law or in equity.

16. **Documentary Stamps.** If at any time the United States of America, any State thereof or any subdivision of any such State shall require revenue or other stamps to be affixed to any Note or this Mortgage, or impose any other tax or charge on the same, the Mortgagor will pay for the same, with interest and penalties thereon, if any.

17. **Preservation of Rights.** No delay or omission on the Mortgagee's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver of any such right or power, nor will the Mortgagee's action or inaction impair any such right or power. The Mortgagee's rights and remedies hereunder are cumulative and not exclusive of any other rights or remedies which the Mortgagee may have under other agreements, at law or in equity.

18. **Severability.** Any provision of this Mortgage which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

19. **Changes in Writing.** None of the terms or provisions of this Mortgage may be waived, amended, supplemented or otherwise modified except in accordance with Section 12.3 of the Credit Agreement.

20. **Integration.** This Mortgage and the other Loan Documents represent the entire agreement of the parties hereto with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the parties hereto relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents.

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21. **Survival; Successors and Assigns.** This Mortgage will be binding upon and inure to the benefit of the Mortgagor and the Mortgagee and their respective heirs, executors, administrators, successors and assigns; provided, however, that the Mortgagor may not assign this Mortgage in whole or in part without the Mortgagee's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, or except as otherwise permitted pursuant to the Credit Agreement and the Mortgagee at any time may assign this Mortgage in whole or in part upon written notice to the Mortgagor.

22. **Interpretation.** In this Mortgage, unless the Mortgagee and the Mortgagor otherwise agree in writing, the singular includes the plural and the plural the singular; words importing any gender include the other genders; references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute referred to; the word "or" shall be deemed to include "and/or", the words "including", "includes" and "include" shall be deemed to be followed by the words "without limitation"; references to articles, sections (or subdivisions of sections) or exhibits are to those of this Mortgage; and references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent such amendments and other modifications are not prohibited by the terms of this Mortgage. Section headings in this Mortgage are included for convenience of reference only and shall not constitute a part of this Mortgage for any other purpose. If this Mortgage is executed by more than one party as the Mortgagor, the obligations of such persons or entities will be joint and several.

23. **GOVERNING LAW AND JURISDICTION.** THIS MORTGAGE AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS MORTGAGE SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS, EXCEPT THAT THE LAWS OF THE STATE WHERE THE PROPERTY IS LOCATED SHALL GOVERN THE CREATION, PERFECTION AND FORECLOSURE OF THE LIENS CREATED HEREUNDER ON THE PROPERTY OR ANY INTEREST THEREIN. MORTGAGOR HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY U.S. FEDERAL OR ILLINOIS COURT SITTING IN CHICAGO, ILLINOIS IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS MORTGAGE OR ANY OTHER LOAN DOCUMENT AND MORTGAGOR HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE MORTGAGEE TO BRING PROCEEDINGS AGAINST MORTGAGOR IN THE COURTS OF ANY OTHER JURISDICTION, INCLUDING THE STATE WHERE THE PROPERTY IS LOCATED. ANY JUDICIAL PROCEEDING BY MORTGAGOR AGAINST THE MORTGAGEE OR ANY AFFILIATE OF THE MORTGAGEE INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS MORTGAGE OR ANY OTHER LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN CHICAGO, ILLINOIS.

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24. **Change in Name or Locations.** The Mortgagor hereby agrees that if the Mortgagor changes its name, its type of organization, its state of organization (if the Mortgagor is a registered organization), its principal residence (if the Mortgagor is an individual), or its chief executive office (if the Mortgagor is a general partnership or non-registered organization), or establishes a name in which it may do business that is not the current name of the Mortgagor, the Mortgagor will promptly notify the Mortgagee in writing of the additions or changes.

25. **WAIVER OF JURY TRIAL.** THE MORTGAGOR, AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL, AND THE MORTGAGEE BY ACCEPTANCE OF THIS MORTGAGE, EACH KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED UPON OR ARISING OUT OF THIS MORTGAGE OR ANY RELATED INSTRUMENT OR AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS MORTGAGE OR ANY OF ITS COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS. NEITHER PARTY SHALL NOT SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THESE PROVISIONS SHALL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY THE MORTGAGEE OR THE MORTGAGOR EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY EACH OF THEM. THIS PROVISION IS A MATERIAL INDUCEMENT TO BANK TO PROVIDE THE TERM LOAN PURSUANT TO THE CREDIT AGREEMENT.

26. **Termination.** Upon termination hereof or any release of the Property or any portion thereof in accordance with the provisions of this Mortgage, the Mortgagee shall upon written request and at the Mortgagor's reasonable cost and expense, to the extent reasonably and actually incurred, promptly assign, transfer and deliver to the Mortgagor such of the Property to be released (in the case of a release) as may be in possession of the Mortgagee and, with respect to any other Property, proper documents and instruments (including UCC-3 termination statements or releases) acknowledging the termination hereof or the release of the Property, as the case may be.

27. **Indemnification.** In addition to, and not in limitation of, all other indemnities in favor of any Indemnitee (as defined in the Credit Agreement) specifically provided in any of the Loan Documents, Mortgagor shall indemnify Indemnitees and save Indemnitees harmless from and against any and all actual losses, liabilities, suits, obligations, fines, damages, penalties, claims costs, charges, and expenses, including, without limitation, reasonable architect's, engineer's, attorneys' and accountant's fees and all reasonable disbursements which are imposed upon, incurred or asserted against Indemnitees by reason of: (i) any capital improvements, renovations or other work or thing done in, on or about the Property or any part thereof, (ii) any use, non-use, misuse, possession, occupation, alteration, repair, condition, operation, maintenance or management of the Property or any part thereof or any street, drive, sidewalk, curb, passageway or space comprising a part thereof or adjacent thereto, (iii) any negligence on the part of either Mortgagor or its agents, contractors, servants, employees, licensees or invitees, (iv) any accident, injury (including death) or damage to any person or Property occurring in, on or about the Property or any part thereof or in, on or about any street, drive, sidewalk, curb,

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passageway or space adjacent thereof, (v) any failure on the part of Mortgagor to perform or comply with any of the terms of this Mortgage, (vi) any lien or claim which may be alleged to have arisen on or against the Property or any part thereof under the laws of the local or state government or any other governmental or quasi-governmental authority or any liability asserted against any Indemnitees with respect thereto, (vii) any tax attributable to the execution, delivery, filing or recording of this Mortgage or any Loan Documents, or (viii) any contest permitted pursuant to the provisions of this Mortgage or the Loan Documents; provided that Mortgagor shall have no obligation to indemnify or save any Indemnitee from any losses, liabilities, suits, obligations, fines, damages, penalties, claims, costs, charges or expenses arising solely and directly from such Indemnitee's own willful misconduct or gross negligence.

28. Future Advances. This Mortgage shall secure such future advances as may be made by Mortgagee, at its option and for any purpose, within twenty (20) years from the date of this Mortgage. All such future advances shall be included within the Obligations, shall be secured to the same extent as if made on the date of the execution of this Mortgage, and shall take priority from the time this Mortgage is filed for record as provided by law. The total amount of indebtedness secured by this Mortgage may decrease or increase from time to time, but the total unpaid balance so secured at any one time shall not exceed the maximum principal amount of \$7,000,000.00, plus interest and any disbursements made for the payment of taxes, levies or insurance on the Mortgaged Property, with interest on those disbursements, plus any increase in the principal balance as the result of negative amortization or deferred interest. Without the prior written consent of Mortgagee, which Mortgagee may grant or withhold in its sole discretion, Mortgagor shall not file for record any notice limiting the maximum principal amount that may be secured by this Mortgage to a sum less than the maximum principal amount set forth in this paragraph.

29. Illinois Mortgage Foreclosure.

(a) It is the express intention of Mortgagor and Mortgagee that the rights, remedies, powers and authorities conferred upon the Mortgagee pursuant to this Mortgage shall include all rights, remedies, powers and authorities that a mortgagor may confer upon a mortgagee under the Illinois Mortgage Foreclosure Law (735 ILCS § 5/15-1101 et seq.) (herein called the "IMFL") and/or as otherwise permitted by applicable law, as if they were expressly provided for herein. In the event that any provision in this Mortgage shall be inconsistent with any provision in the IMFL, the provisions of the IMFL shall take precedent over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the IMFL.

(b) Without limiting the generality of the foregoing, all expenses incurred by Mortgagee to the extent reimbursable under Sections 15-1510 and 15-1512 of the IMFL, whether incurred before or after any decree or judgment of foreclosure, and whether provided for in this Mortgage, shall be added to the Indebtedness secured by this Mortgage or by the judgment of foreclosure.

(c) The powers, authorities and duties conferred upon the Mortgagee, in the event that the Mortgagee takes possession of the Property, and upon a receiver hereunder, shall also include all such powers, authority and duties as may be conferred upon a Mortgagee in

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possession or receiver under and pursuant to the IMFL. To the extent the IMFL may limit the powers, authorities and duties purportedly conferred hereby, such power, authorities and duties shall include those allowed, and be limited as proscribed by IMFL at the time of their exercise or discharge.

(d) Mortgagor knowingly and voluntarily waives, on behalf of itself and all persons or entities now or hereafter interested in the Property, to the fullest extent permitted by applicable law including IMFL, (i) all rights under all appraisement, homestead, moratorium, valuation, exemption, stay, extension, redemption, single action, election of remedies and marshaling statutes, laws or equities now or hereafter existing, (ii) any and all requirements that at any time any action may be taken against any other person or entity and Mortgagor agrees that no defense based on any thereof will be asserted in any action enforcing this Instrument, and (iii) any and all rights to reinstatement and redemption as allowed under Section 15-1601(b) of the IMFL or to cure any defaults, except such rights of reinstatement and cure as may be expressly provided by the terms of the Guaranty Documents and this Mortgage.

30. Protective Advances.

(a) All reasonable advances, disbursements and expenditures made by Mortgagee 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 the Mortgage or by the IMFL (collectively "Protective Advances"), shall have the benefit of all applicable provisions of the IMFL, including those provisions of the IMFL hereinbelow referred to:

(i) all reasonable advances by Mortgagee in accordance with the terms of the Mortgage to: (a) preserve or maintain, repair, restore or rebuild the improvements upon the Property; (b) preserve the lien of the Mortgage or the priority thereof; or (c) enforce the Mortgage, each as referred to in Subsection (b)(5) of Section 5/15-1302 of the IMFL;

(ii) reasonable payments by Mortgagee of: (a) when due, installments of principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrance; (b) when due installments of real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Property or any part thereof; (c) other obligations authorized by the Mortgage; or (d) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 5/15-1505 of the IMFL;

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

(iv) reasonable attorneys' fees and other costs incurred: (a) in connection with the foreclosure of the Mortgage as referred to in Sections 1504(d)(2) and 5/15-1510 of the IMFL; (b) in connection with any action, suit or proceeding brought by or against the Mortgagee for the enforcement of the Mortgage or arising from the interest of the

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Mortgagee hereunder; or (c) in the preparation for the commencement or defense of any such foreclosure or other action related to the Mortgage or the Property;

(v) Mortgagee's reasonable 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 5/15-1508 of the IMFL;

(vi) reasonable expenses deductible from proceeds of sale as referred to in subsections (a) and (b) of Section 5/15-1512 of the IMFL;

(vii) reasonable expenses incurred and expenditures made by Mortgagee for any one or more of the following: (a) if the Property or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof which are required to be paid; (b) if Mortgagor'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; (c) premiums for casualty and liability insurance paid by Mortgagee whether or not Mortgagee 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 5/15-1704 of the IMFL; (d) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (e) 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, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Property; (f) shared 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; and (g) pursuant to any lease or other agreement for occupancy of the Property for amounts required to be paid by mortgagor.

(b) All Protective Advances shall be so much additional indebtedness secured by the Mortgage, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the rate due and payable after a default under the terms of the Credit Agreement.

(c) The 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)(1) of Section 5/15-1302 of the IMFL.

(d) 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 IMFL, apply to and be included in:

(i) determination of the amount of indebtedness secured by the Mortgage at any time;

(ii) the indebtedness found due and owing to the Mortgagee 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 of

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judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose;

(iii) determination of amount deductible from sale proceeds pursuant to Section 5/15-1512 of the IMFL;

(iv) application of income in the hands of any receiver or Mortgagee in possession; and

(v) computation of any deficiency judgment pursuant to Section 5/15-1511 of the IMFL.

31. **Covenants Running with the Land.** All Obligations and obligations contained in this Mortgage are intended by Mortgagor and Mortgagee to be, and shall be construed as, covenants running with the Property. As used herein, "Mortgagor" shall refer to the party named in the first paragraph of this Mortgage and to any subsequent owner of all or any portion of the Property (without in any way implying that Mortgagee has or will consent to any such conveyance or transfer of the Property). All persons or entities who may have or acquire an interest in the Property shall be deemed to have notice of, and be bound by, the terms of the Credit Agreement and the other Loan Documents; however, no such party shall be entitled to any rights thereunder without the prior written consent of Mortgagee.

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The Mortgagor acknowledges that it has read and understood all the provisions of this Mortgage, including the waiver of jury trial, and has been advised by counsel as necessary or appropriate.

WITNESS the due execution hereof, as of the date first written above, with the intent to be legally bound hereby.

MORTGAGOR:

CASTWELL PRODUCTS, LLC,
a Delaware limited liability company

By _____
Name: *Kevin Boyd*
Title: *Treasurer*

Property of Cook County Clerk's Office

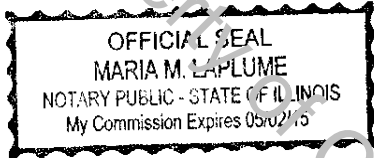
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STATE OF ILLINOIS)
COUNTY OF ~~COOK~~^{ML} Lake)

SS:

The foregoing instrument was acknowledged before me this 5th day of December, 2014 by Kevin J. Byrd as treasurer of Castwell Products, LLC, a Delaware limited liability company, on behalf of the limited liability company. He/she/they personally appeared before me and is/are personally known to me or produced driver license as identification and did not take an oath.

[NOTARIAL SEAL]



Notary: [Signature]
Print Name: Maria M. Laplume
NOTARY PUBLIC, STATE OF Ill
My commission expires 5-2-15

Cook County Clerk's Office

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EXHIBIT A

Legal Description

Parcel 1:

The east 33.00 feet of each lots 1 and 6 (except the north 50.00 feet thereof) in assessor's Division of the northwest 1/4 of Section 29, township 41 north, range 13, east of the Third Principal Meridian, in Cook County, Illinois.

Parcel 2:

Lots 7 and 8, lying easterly of the easterly line of the right of way of the Chicago, Milwaukee, St. Paul and Pacific Railroad in assessor's Division of the northwest 1/4 of Section 29, township 41 north, range 13, east of the Third Principal Meridian, in Cook County, Illinois.

Parcel 3:

Lot 1 in the subdivision by the heirs of Carl Schnur of that part of the southeast 1/4 of the northwest 1/4 of Section 29, township 41 north, range 13, east of the third principal Meridian, lying east of the railroad and north of Carl Schnur's subdivision, according to the plat recorded March 21, 1939 as document 12285957, in Cook County, Illinois.

Parcel 4:

The south 330.00 feet of the West 265.00 feet of lot 1 in Carl Schnur's subdivision of part of the northeast 1/4 and part of the northwest 1/4 of Section 29, township 41 north, range 13, east of the Third Principal Meridian, in Cook County, Illinois.

Parcel 5:

Perpetual non-exclusive easement for the benefit of parcel 2, as created by document made between Wells Manufacturing Company, an Illinois Corporation, American National Bank and Trust Company of Chicago, as trustee under trust agreement dated December 15, 1983 and known as trust number 59800 and courtesy lumber and Supply Company, an Illinois Corporation dated March 26, 1984 and recorded April 26, 1984 as document 27060861, as amended by document dated October 1, 1985 and recorded March 15, 1989 as document 89114730 for a roadway for ingress and egress to and from Parcel 2 over the west 46.00 feet and over the 60 foot by 60 foot square in the southwestern corner of the east 433.00 feet of lots 1 and 6 (except the east 33.00 feet of each of said lots 1 and 6 and except the north 50.00 feet thereof) in assessor's Division of the northwest 1/4 of Section 29, township 41 north, range 13, east of the Third Principal Meridian, in Cook County, Illinois.

Common Address: 7800 N. Austin Ave., Skokie, IL

PINs: 10-29-101-004-0000; 10-29-101-006-0000; 10-29-101-007-0000; 10-29-101-011-0000;
10-29-208-023-0000