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Illinois Anti-Predatory
Lending Database
Program

Certificate of Exemption

151240516

**NORTH AMERICAN
TITLE COMPANY**

Report Mortgage Fraud
800-532-8785



1518144042

Doc#: 1518144042 Fee: \$86.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 06/30/2015 12:23 PM Pg: 1 of 25

The property identified as: **PIN: 24-28-400-054-0000**

Address:

Street: 5300 W Plattner Drive

Street line 2:

City: Alsip

State: IL

ZIP Code: 60803

Lender: MB Financial Bank, N.A.

Borrower: Preferred Holdings of Alsip, LLC

Loan / Mortgage Amount: \$5,200,000.00

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: 41F05D92-F364-48DE-BF99-EC39F3989EEE

Execution date: 6/29/2015

CCRD REVIEWER

306170

[Handwritten signature]
[Handwritten initials]

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15-260516
**NORTH AMERICAN
 TITLE COMPANY**

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

THIS MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND LEASES, FIXTURE FILING AND FINANCING STATEMENT ("Mortgage") is made and granted this 29th day of June, 2015, by **Preferred Holdings of Alsip, LLC** whose address is 8800 Byron Commerce Dr. SW, Byron Center, Michigan 49315 ("Mortgagor"), to **MB Financial Bank, N.A.** (the "Bank"), whose address is 6111 North River road, Rosemont, Illinois 60018.

THIS MORTGAGE SECURES FUTURE ADVANCES AND IS A FUTURE ADVANCE MORTGAGE UNDER APPLICABLE LAW. THE MAXIMUM PRINCIPAL AMOUNT EXCLUDING PROTECTIVE ADVANCES THAT MAY BE SECURED BY THIS MORTGAGE IS TWENTY FIVE MILLION DOLLARS (\$25,000,000).

GRANTING CLAUSE

In order to secure payment of the Indebtedness (hereinafter defined) and the performance of the covenants, terms and conditions hereof and of any of the Documents (hereinafter defined), Mortgagor does **MORTGAGE AND WARRANT** to Bank, subject only to the Permitted Encumbrances (hereinafter defined), real estate owned by Mortgagor situated in the Village of Alsip, Cook County, Illinois, described more particularly on Exhibit A attached hereto;

Together with all buildings and improvements now or hereafter existing upon the real estate or any part thereof, and all heretofore or hereafter vacated alleys, streets and sidewalks abutting the real estate and all easements, licenses, rights-of-way and privileges benefiting the real estate or in anywise appertaining thereto, if any, and together with all Fixtures (hereinafter defined); and

Together with all of the rents, profits and leases of the Premises (hereinafter defined) and all of the tenements, hereditaments, and appurtenances thereto belonging or in anywise appertaining and any and all reversions and remainders, and all of the estate, right, title, interest, property, claim and demand whatsoever of Mortgagor in and to the Premises and any part thereof; and

Mortgagor grants to Bank a security interest in all of the Fixtures, but if the same be deemed to be part of the real estate then Mortgagor mortgages and warrants such Fixtures to Bank. Mortgagor grants to Bank a security interest in the Accounts and Specific Intangibles (all hereinafter defined), and all proceeds of the foregoing.

DEFINITIONS

FOR THE PURPOSE OF THIS MORTGAGE UNLESS THE CONTEXT SHALL OTHERWISE REQUIRE:

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A. **"Accounts"** are any right to payment in which Mortgagor has an interest arising out of ownership of the Premises and include all rents, profits and income of the Premises (to the extent the same are or may hereafter be subject to the Uniform Commercial Code as adopted in the jurisdiction where the Premises are situated) and all accounts receivable which are any part of or arise from such rents, profits and income which otherwise relate in any way to the Premises.

B. **"Asbestos"** shall have the meanings provided under the Relevant Environmental Laws, and shall include, but not be limited to, asbestos fibers and friable asbestos which represents a health risk, as such terms are defined under the Relevant Environmental Laws.

C. **"Documents"** shall mean any instruments, documents, notes, guarantees or agreements evidencing or securing the Indebtedness, including, without limit, the Credit Agreement, Letter Agreement and the Notes.

D. **"Event of Default"** shall have the meaning set forth in paragraph 11.

E. **"Fixtures"** are all goods and equipment which are or hereafter become fixtures (excepting any tenant trade fixtures) and are located upon or within the Premises or are now or hereafter attached to the Premises or Fixtures, including, but not limited to, any and all partitions, dynamos, screens, awnings, motors, engines, boilers, furnaces, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, heating, ventilating, air-conditioning and air-handling equipment, built-in refrigerated rooms, gas and electric machinery, elevators and elevator equipment and appurtenances and equipment, permanently affixed to the real estate and all replacements thereof and all proceeds of such fixtures.

F. **"Hazardous Wastes"** shall mean any of the following as defined by the Relevant Environmental Laws: solid wastes; toxic or hazardous substances, wastes, or contaminants (including, but not limited to, polychlorinated biphenyls ("PCB's"), and urea formaldehyde foam insulation); and discharges of sewage or effluent.

G. **"Indebtedness"** shall mean all obligations of Mortgagor under this Mortgage and all indebtedness and obligations now and hereafter owing to Bank by Mortgagor, and/or Preferred Holdings of Summit, LLC, a Michigan limited liability company ("Preferred Holdings of Summit, LLC", and together with Mortgagor, the "Borrowers" and each a "Borrower"), including, but not limited to, (i) the indebtedness and obligations evidenced by that certain Letter Agreement by and among Mortgagor and Bank dated as of June 19, 2015 (the "Alsip Letter Agreement"), (ii) the indebtedness and obligations evidenced by that certain Letter Agreement by and among Preferred Holdings of Summit, LLC and Bank dated as of June 19, 2015 (the "Summit Letter Agreement"), (iii) the indebtedness and obligations evidenced by that certain Promissory Note in the original principal amount of \$5,200,000 made by Mortgagor in favor of Bank dated as of June 19, 2015, as it may be amended, restated or replaced from time to time (the "Preferred Holdings of Alsip Note"), (iv) the indebtedness and obligations evidenced by that certain Promissory Note in the original principal amount of \$6,100,000 made by Preferred Holdings of Summit, LLC in favor of Bank dated as of June 19, 2015, as it may be amended, restated or replaced from time to time (the "Preferred Holdings of Summit Note", and together with the Preferred Holdings of Alsip Note, collectively, the "Notes" and each individually, a "Note"), and (v) and any other indebtedness and/or obligations evidenced by any other credit agreement between any Borrower and Bank and any other note made by any Borrower for the benefit of the Bank now existing or executed at a future date, as each may be amended, restated, extended, renewed and/or replaced from time to time, provided, however, that notwithstanding anything hereinabove to the contrary the maximum Indebtedness secured hereby at any one time shall not exceed \$25,000,000, plus all costs of enforcement and collection of this Mortgage, the Notes and the other Documents, plus the total amount of any advances made pursuant to the

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Documents to protect the collateral and the security interest and lien created hereby; together with interest on all of the foregoing as provided in the Documents.

H. **"Permitted Encumbrances"** are the liens and the encumbrances (if any) set forth on Exhibit B attached hereto.

I. Any reference to **"Premises"** or **"Mortgaged Property"** shall be deemed to apply without limitation to all of the above described real estate, and to all buildings and improvements now or hereafter located thereon, and to all heretofore or hereafter vacated alleys, streets and sidewalks, easements, licenses, privileges, right-of-ways, reversions, remainders and all rights, titles, interests, property, claims and demands of Mortgagor therein and to the Rents, profits, income and leases of the Premises and to the Fixtures.

J. **"Relevant Environmental Laws"** shall mean all applicable federal, state and local laws, rules, regulations, orders, judicial determinations, and decisions or determinations by any judicial, legislative or executive body of any governmental or quasi-governmental entity, whether in the past, the present or the future, with respect to: (A) the installation, existence, or removal of, or exposure to, Asbestos on the Premises; (B) the existence on, discharge from, or removal from the Premises of Hazardous Wastes; and (C) the effects on the environment of the Premises or of any activity now, previously, or hereafter conducted on the Premises. The Relevant Environmental Laws shall include, but not be limited to, the following: (1) the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Sections 9601 *et seq.*; the Superfund Amendments and Reauthorization Act, Public Law 99-499, 100 Stat. 1613; the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901 *et seq.*; the National Environmental Policy Act, 42 U.S.C. Section 4321; the Safe Drinking Water Act, 42 U.S.C. Sections 300F *et seq.*; the Toxic Substances Control Act, 15 U.S.C. Section 2601; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801; the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251 *et seq.*; the Clean Air Act, 42 U.S.C. Sections 7401 *et seq.*; and the regulations promulgated in connection therewith; (2) Environmental Protection Agency regulations pertaining to Asbestos (including 40 C.F.R. Part 61, Subpart M); Occupational Safety and Health Administration regulations pertaining to Asbestos (including 29 C.F.R. Sections 1910.1001 and 1926.58); as each may now or hereafter be amended; and (3) any state and local laws and regulations pertaining to Hazardous Wastes and/or Asbestos.

K. **"Specific Intangibles"** are any and all of the right, title and interest of Mortgagor in and to (i) all insurance policies and the proceeds thereof or claims paid or to be paid thereunder relating in any manner to the Premises or to the Rents thereof, and any return of premiums, and (ii) any awards or settlements of an eminent domain proceeding involving a taking of the Premises or any part thereof or any awards or settlements made in an eminent domain proceeding arising out of any claim of diminution in value of the Premises, (iii) any damage awards or settlements arising out of or connected with any lease or the breach of any lease or any damages to the Premises or to Mortgagor's interest therein.

MORTGAGOR DOES HEREBY COVENANT AS FOLLOWS:

1. **Payment of Indebtedness.** Mortgagor shall pay, or cause to be paid, the Indebtedness according to the terms of the Documents and shall perform all the terms, covenants and conditions hereof and of each of the Documents, as applicable.

2. **Title.** At the time of the execution and delivery of this Mortgage, Mortgagor is well and truly seized of the Premises in fee simple, free of all liens, encumbrances and easements whatsoever, whether prior or subordinate hereto, except Permitted Encumbrances.

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Mortgagor shall forever warrant and defend the Premises against any and all claims whatsoever, including all security interests. Except and to the extent of the Permitted Encumbrances, the lien created hereby is and shall be kept a first lien upon the Premises and the security interests created hereby shall be kept as first security interests in and upon the Fixtures, Accounts and Specific Intangibles and every part thereof. Mortgagor shall pay when due all amounts which might become a lien upon the Premises prior to this Mortgage. Mortgagor shall not grant or suffer a security interest in any of the Fixtures, Accounts or Specific Intangibles prior to the security interest granted to Bank. Mortgagor, upon Bank's request, shall execute all other instruments necessary to confirm or protect the lien of this Mortgage and the security interests granted herein including, without limitation, security agreements, financing statements and renewals thereof.

3. Taxes. Mortgagor shall pay forthwith prior to the imposition of any penalty or interest all taxes and assessments that may be levied upon the Premises and shall promptly deliver to Bank receipts showing payment thereof. Mortgagor shall pay when due all taxes and assessments that may be levied upon or on account of this Mortgage or the Indebtedness secured hereby or upon the interest or estate in the Premises created or represented by this Mortgage, whether levied against Mortgagor or otherwise. If at any time internal revenue stamps are required to be affixed to this Mortgage or any other Document, Mortgagor shall pay for the same with any interest or penalties imposed in connection therewith. In the event that payment by Mortgagor, even if voluntarily made, of any tax referred to in this paragraph would be contrary to public policy or would result in the payment of interest in excess of the rate permitted by law, then Mortgagor shall have no obligation to pay the portion of such tax which would result in the violation of public policy or the payment of such excess interest; provided, however, in any such event, at any time after the enactment of the law providing for such tax, Bank, at its election, may declare the entire principal balance of the Indebtedness secured hereby, together with interest thereon, to be due and payable immediately.

4. Waste, Alterations, Compliance with Law. Mortgagor shall abstain from and shall not suffer the commission of waste on the Premises and shall keep the same in good repair (reasonable wear and tear excepted) and shall make replacements thereto as and when the same become necessary. Mortgagor shall promptly notify Bank, in writing, of the occurrence of any material loss or damage to the Premises. Mortgagor shall not materially alter the Premises or Fixtures, or remove the Fixtures from the Premises, or permit any tenant or other person to do so, without the prior written consent of Bank which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, Mortgagor may replace any Fixtures which require replacement in the exercise of Mortgagor's business judgment, with Fixtures of like or better quality than those replaced. Mortgagor shall not permit any portion of the Premises to be used for any unlawful purpose. Mortgagor shall comply in all material respects with all laws, ordinances, regulations and orders of all public authorities having jurisdiction thereof and all covenants, conditions and restrictions relating to the Premises or the use, occupancy and maintenance thereof. Mortgagor shall permit Bank at any time (or upon at least 48 hours advance notice if no default has occurred), and from time to time, to enter the Premises for the purpose of inspecting the same during normal business hours.

5. Hazardous Wastes.

A. **Representations and Warranties.** The Mortgagor represents, warrants to the best of its knowledge and covenants to the Bank as follows:

(i) Except as disclosed in the Environmental Reports provided to the Bank, at all times since the vesting of title to the Premises in the Mortgagor and at all times prior to the vesting of title to the Premises in the Mortgagor, there are no and have been no violations of the Relevant Environmental Laws respecting the Premises and no consent orders have been entered with respect thereto.

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(ii) Except as disclosed in the Environmental Reports provided to the Bank, at all times since the vesting of title to the Premises in the Mortgagor and at all times prior to the vesting of title to the Premises in the Mortgagor, there are no and have been no Hazardous Wastes or Asbestos either at, upon, under or within, or discharged or emitted at or from, the Premises, including, but not limited to, the air, soil, surface, and ground water; no Hazardous Wastes or Asbestos have flowed, blown or otherwise become present at the Premises from neighboring land; and no Hazardous Wastes or Asbestos have been removed from the Premises other than those Hazardous Wastes which are necessary and commercially reasonable for the conduct of the Mortgagor's business operated on the Premises and which Hazardous Wastes have been, at all times prior to the date hereof, and at all times hereafter shall be, handled and disposed of in compliance with all Relevant Environmental Laws and industry standards and in a commercially reasonable manner by the Mortgagor other than inventory sold in the ordinary course of Mortgagor's business.

(iii) The Premises will not be used for the purpose of storing Hazardous Wastes other than inventory sold or used in the ordinary course of Mortgagor's business, and no such storage or use will otherwise be allowed on the Premises which will cause or increase the likelihood of causing the release of Hazardous Wastes onto the Premises.

(iv) Mortgagor is not aware of any claims or litigation, and Mortgagor has not received any communication from any person (including any governmental authority), concerning the presence or possible presence of Hazardous Wastes or Asbestos at the Premises or concerning any violation or alleged violation of the Relevant Environmental Laws respecting the Premises. The Mortgagor shall promptly notify the Bank of any such claims and shall furnish Bank with a copy of any such communications received by Mortgagor.

(v) The Mortgagor shall notify Bank promptly and in reasonable detail in the event that the Mortgagor becomes aware of or suspects the presence of Hazardous Wastes (other than those Hazardous Wastes which are necessary and commercially reasonable for the conduct of the Mortgagor's business operated on the Premises and which Hazardous Wastes have been, at all times prior to the date hereof, and at all times hereafter shall be, handled and disposed of in compliance with all Relevant Environmental Laws and industry standards and in a commercially reasonable manner by the Mortgagor) or Asbestos or a violation of the Relevant Environmental Laws at the Premises.

(vi) The Mortgagor shall ensure that the Premises comply and continue to comply in all material respects with the Relevant Environmental Laws.

(vii) If the Premises are used or maintained so as to subject the Mortgagor, the Bank or the user of the Premises to a claim of violation of the Relevant Environmental Laws (unless contested in good faith by appropriate proceedings), the Mortgagor shall immediately remedy and fully cure any conditions arising therefrom, at its own cost and expense.

B. Mortgagor's Obligations. At its sole cost and expense, the Mortgagor shall:

(i) Pay immediately when due the cost of compliance with the Relevant Environmental Laws.

(ii) Keep the Premises free of any lien imposed pursuant to the Relevant Environmental Laws.

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C. **Bank's Options.** In the event that the Mortgagor fails to comply with the requirements of this paragraph 5, after notice to the Mortgagor, Bank may, but shall not be obligated to, exercise its right to do one or more of the following: (i) declare that such failure constitutes an Event of Default under paragraph 11 herein; and/or (ii) take any and all actions, at the Mortgagor's expense, that Bank deems necessary or desirable to cure said failure of compliance.

All costs incurred pursuant to this paragraph 5 shall become immediately due and payable with interest thereon at the default rate set forth in the Notes, and the amount thereof, including any such interest, shall, if incurred prior to the foreclosure of this Mortgage or the delivery of a deed in lieu of foreclosure, be added to the Indebtedness and shall be secured by this Mortgage and each other Document granting Mortgage collateral or security for the Indebtedness.

D. **Indemnity.** Bank shall not be liable for and the Mortgagor shall immediately pay to Bank when incurred and shall indemnify, defend and hold Bank harmless from and against, all loss, cost, liability, damage and expense (including, but not limited to, reasonable attorneys' fees and costs incurred in the investigation, defense and settlement of claims) that the Bank may suffer or incur (as holder of this Mortgage, as mortgagee in possession or as successor in interest to the Mortgagor as owner of the Premises by virtue of foreclosure or acceptance of a deed in lieu of foreclosure) as a result of or in connection in any way with any of the Relevant Environmental Laws (including the assertion that any lien existing pursuant to the Relevant Environmental Laws takes priority over the lien of this Mortgage), any environmental assessment or study from time to time undertaken or requested by the Mortgagor or Bank pursuant to paragraph 5 hereof, or breach of any covenant or undertaking by the Mortgagor herein; provided, however, the Mortgagor shall have no obligation hereunder to the Bank with respect to indemnified liabilities arising solely from the gross negligence or willful misconduct of the Bank. Any environmental audit conducted at the Bank's request shall not be deemed a waiver or relinquishment of the Bank's right to rely on the covenants, representations, warranties or agreements made herein and in any other Document, or to receive the protection and indemnity outlined above. If at any time the Bank reasonably believes that any Relevant Environmental Law has been or is being violated, the Bank shall have the right to cause an environmental audit to be conducted at Mortgagor's sole expense or to require Mortgagor, at Mortgagor's expense, to have an environmental audit done and to furnish evidence satisfactory to the Bank that no such violation has occurred.

E. **Survival.** The provisions of this paragraph 5 shall survive the foreclosure of this Mortgage, the delivery of a deed in lieu of foreclosure, and the payment of the indebtedness.

6. **Insurance.** Mortgagor will cause all buildings, improvements, and other insurable parts of the Premises to be insured against loss or damage by fire, by hazards included within extended coverage and by such other hazards as Bank from time to time may require, in such amounts and with such insurers as shall be acceptable to Bank, and Mortgagor shall cause all premiums on the insurance to be paid when due. Each policy evidencing such insurance shall provide that loss shall be payable to Bank as its interest shall appear at the time of the loss, shall contain a standard mortgage clause, shall be in form and substance acceptable to Bank, and shall be delivered to Bank. Each policy shall provide that at least thirty (30) days' prior written notice of any cancellation of, or any material change in, the insurance shall be given to Bank by the insurer. Each renewal of each such policy shall be delivered to Bank at least thirty (30) days prior to the expiration date of the policy. Unless Mortgagor provides the Bank with evidence of the insurance coverage required by this Mortgage, the Bank may purchase insurance at Mortgagor's expense to protect its interests in the Premises. This insurance may, but need not, protect Mortgagor's interests. The coverage that the Bank purchases may not pay any claim that the Mortgagor makes or any claim that is made against the Mortgagor in connection with the Premises. The Mortgagor may later cancel any insurance purchased by the Bank, but only after providing the Bank with evidence that the Mortgagor has obtained insurance as required by this Mortgage. If the Bank purchases insurance for the Premises, the Mortgagor will be responsible for the costs of that insurance, including interest and

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any other charges the Bank may 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. The costs of the insurance may be more than the cost of insurance the Mortgagor may be able to obtain on its own. Upon foreclosure of this Mortgage or other transfer of the Premises in satisfaction of the Indebtedness, all right, title and interest of Mortgagor in and to any insurance policies then in force, including the right to any premium refund thereon, shall vest in the purchaser or grantee. In event of any loss of or damage to the premises, Mortgagor will give immediate notice thereof to Bank, and Bank shall have the right to make proof of the loss or damage, if Mortgagor does not promptly do so. Bank is authorized to settle, adjust, or compromise any claims for loss or damage under any such insurance policy. Mortgagor shall forthwith endorse and deliver to Bank all proceeds of any such policy.

UNLESS THE MORTGAGOR PROVIDES THE BANK WITH EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY THIS AGREEMENT, THE BANK MAY PURCHASE INSURANCE AT THE MORTGAGOR'S EXPENSE TO PROTECT THE BANK'S INTERESTS IN THE PREMISES. THIS INSURANCE MAY, BUT NEED NOT, PROTECT THE MORTGAGOR'S INTERESTS. THE COVERAGE THAT THE BANK PURCHASES MAY NOT PAY ANY CLAIM THAT IS MADE AGAINST THE MORTGAGOR IN CONNECTION WITH THE PREMISES. THE MORTGAGOR MAY LATER CANCEL ANY INSURANCE PURCHASED BY THE BANK, BUT ONLY AFTER PROVIDING THE BANK WITH EVIDENCE THAT THE MORTGAGOR HAS OBTAINED INSURANCE AS REQUIRED BY THIS AGREEMENT. IF THE BANK PURCHASES INSURANCE FOR THE PREMISES, THE MORTGAGOR WILL BE RESPONSIBLE FOR THE COSTS OF THAT INSURANCE, INCLUDING INTEREST AND ANY OTHER CHARGES THAT MAY BE IMPOSED 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 PRINCIPAL AMOUNT OF THE INDEBTEDNESS OWING HEREUNDER. THE COSTS OF THE INSURANCE MAY BE MORE THAN THE COST OF THE INSURANCE THE MORTGAGOR MAY BE ABLE TO OBTAIN ON ITS OWN.

7. **Escrows for Taxes and Insurance.** Upon an Event of Default, Mortgagor shall pay to Bank monthly, on the first day of each month, installments for the purpose of paying taxes, assessments and insurance premiums. The amount of the installments to be paid may change from time to time as taxes, assessments and insurance premiums change. To determine the monthly installment, the amount and due date of each separate tax, assessment and insurance premium are first determined. The amount of the monthly installment is calculated by dividing each separate tax, assessment and insurance premium by twelve (12) and adding the resulting figures. The installments will be so timed as to assure to Bank that it will have sufficient funds to pay each respective tax, assessment or insurance premium one month before the due date. Additionally, upon an Event of Default, Mortgagor will deposit with Bank a sufficient sum for each tax, assessment or insurance premium, computed independently as set forth above, which, when added to the installments that come due before the next due date for such tax, assessment or premium, will give Bank sufficient funds to pay the same one month before the due date. All amounts paid to Bank hereunder will be held by Bank as additional security for the Indebtedness and may be commingled by Bank with any other funds. Mortgagor shall not be entitled to receive interest on account of any sums held hereunder. Nothing contained herein shall in any manner limit the obligation of Mortgagor to pay taxes and assessments. Upon an Event of Default, in addition to the escrows for taxes and insurance, Mortgagor shall deposit with Bank, in Mortgagor's account all security deposits relating to the Premises which shall be returned as and when tenants are entitled thereto. Upon and during the continuance of an Event of Default by Mortgagor, Bank may, at its option, but without obligation on its part so to do, apply all amounts held (other than security deposits which shall be held for the purpose intended) toward the payment of taxes, assessments and insurance premiums and/or toward the payment of any amounts payable by Mortgagor to Bank under this Mortgage and/or toward the payment of the Indebtedness or any portion thereof, whether or not the same is then due and payable.

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8. **Performance by Bank.** If an Event of Default shall occur with respect to the obligations of Mortgagor in the payment of any taxes or assessments or in making repairs or replacements or in procuring and maintaining insurance and paying the premiums therefor, or in keeping or performing any other covenant, term or condition hereof, Bank may, at its option and without any obligation on its part so to do, pay the taxes and assessments, make such repairs and replacements, effect such insurance, pay the premiums, and perform any other covenant, term or condition of Mortgagor herein. All amounts expended by Bank hereunder shall be secured hereby and shall be due and payable by Mortgagor to Bank forthwith on demand, with interest thereon at the rate at which interest accrues in the Notes on amounts after the same become due.

9. **Statutory Waste.** Nonpayment of any taxes or assessments levied or assessed upon the Premises, except to the extent being contested by an appropriate proceedings being diligently pursued by Mortgagor, or nonpayment of any insurance premium upon any insurance policy relating to the Premises, or any part thereof, shall constitute an Event of Default hereunder and shall constitute waste, and shall entitle Bank to exercise any remedies which may be available on account of such waste pursuant to the terms hereof or under any statute or law now or hereafter in effect. Mortgagor hereby consents to the appointment of a receiver should Bank elect any such remedy.

10. **Payment of Bank Costs.** In the event that Bank is made a party to any suit or proceedings instituted after the date hereof by reason of the interest of Bank in the Premises, or if Bank is required to arbitrate or negotiate any claim asserted against it by reason of its interest in the Premises, whether or not such claim results in a suit or proceeding, Mortgagor shall reimburse Bank for all costs and expenses, including reasonable attorneys' fees. All amounts incurred by Bank hereunder shall be secured hereby and shall be due and payable by Mortgagor to Bank forthwith on demand, with interest thereon at the rate at which interest accrues on the Notes on amounts after the same become due. Wherever in this Mortgage or in any other Document an obligation is imposed upon Mortgagor to pay the reasonable attorney's fees of Bank, such fees shall be deemed to include all reasonable fees incurred, whether such fees are incurred in consulting an outside or in-house attorney or in a proceeding of any kind and if in a proceeding, whether at the trial or appellate stages.

11. **Default and Remedies.**

A. The following shall be deemed events of Default under this Mortgage:

(i) If default occurs in the payment or performance of any of the Indebtedness, when and as it shall be due and payable, whether at maturity or otherwise.

(ii) If default occurs in the performance of any obligation to Bank under this Mortgage, under the Alsip Letter Agreement, any Note, any other Document or under any other mortgage, security agreement, loan agreement, assignment, guaranty, or other agreement that now or hereafter secures or relates to any indebtedness or obligation now or hereafter owing by Mortgagor or any Borrower to Bank or that secures or relates to any guaranty of any such other indebtedness or obligation ("Loan Documents").

(iii) If any warranty, representation or statement heretofore or hereafter made to Bank by Mortgagor or by any guarantor of all or part of the Indebtedness ("Guarantor") in this Mortgage or in any guaranty, Loan Document, agreement, instrument, credit application, financial statement or otherwise, shall have been false in any material respect when made or furnished.

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(iv) If Mortgagor or any Guarantor shall dissolve, become insolvent or make an assignment for the benefit of creditors.

(v) If Mortgagor, without the written consent of Bank, shall sell, convey, or transfer the Premises or any interest therein or any Rents or profits therefrom or if any mortgage, lien, or other encumbrance or any writ of attachment, garnishment, execution, or other legal process shall be issued against or placed upon the Premises or any interest therein or any Rents or profits therefrom, except in favor of Bank, or if any part of the Premises or any interest therein shall be transferred by operation of law.

(vi) If all or any material part of the Premises shall be damaged or destroyed by fire or other casualty, regardless of insurance coverage therefor, or shall be taken by condemnation or power of eminent domain unless Mortgagor shall have made arrangements satisfactory to the Bank to rebuild, restore or repair the Premises.

(vii) If any law or government regulation shall hereafter impose any tax or assessment upon mortgages on debts secured by mortgages so as to effect the interest of the Bank materially adversely.

(viii) If any guaranty that now or hereafter secures payment or performance of all or any part of the Indebtedness shall be terminated or limited, for any reason, without the prior written consent or agreement of Bank.

(ix) If any lease, land contract, or other agreement by which Mortgagor is leasing as tenant or purchasing any interest in the Premises shall be declared by the lessor or seller thereunder to be forfeited or terminated or if any suit or other action shall be commenced to foreclose any such land contract or to recover possession of all or any part of the premises by reason of any default or alleged default under any such lease, land contract, or agreement.

(x) If a voluntary or involuntary case in bankruptcy or receivership shall be commenced by or against Mortgagor or any Guarantor and shall not be discharged within sixty (60) days of commencement.

All or any part of the Indebtedness also may become, or may be declared to be, immediately due and payable under the terms and conditions contained in any Document or other agreement heretofore or hereafter entered into between Bank and Mortgagor.

B. Bank may at any time after the occurrence and during the continuance of any Event of Default (i) without further notice, declare the Indebtedness, including the then applicable prepayment premium, if any, to be due and payable immediately; (ii) exercise any and all other rights and remedies provided by this Mortgage, any Guaranty, Loan Documents or any other Document, or by law, including appointment of a receiver to which appointment Mortgagor consents. Mortgagor acknowledges that the commencement of foreclosure proceedings shall be deemed acceleration. Bank shall have the right from time to time to sue for any sums whether interest, damages for failure to pay principal or any installment thereof, taxes, installments of principal, or any other sums required to be paid under the terms of this Mortgage, as the same become due, without regard to whether or not the principal sum secured or any other sums evidenced by the Notes or secured by this Mortgage shall be due, and without prejudice to the right of Bank thereafter to bring an action of foreclosure, or any other action, for a default or defaults by the Mortgagor existing at the time such earlier action was commenced. Any payment made in accordance with the terms of this Mortgage by any person at any time liable for the payment of the whole or any part of the sums now or hereafter secured by this Mortgage, or by any subsequent owner of the Premises, or by any other person whose interest in the Premises might be prejudiced in the event of a

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failure to make such payment, or by any stockholder, officer or director of a corporation which at any time may be liable for such payment or may own or have such an interest in the Premises, shall be deemed, as between the Bank and all persons who at any time may be liable as aforesaid or may own the Premises, to have been made on behalf of all such persons.

C. Any failure by the Bank to insist upon the strict performance by the Mortgagor of any of the terms and provisions hereof shall not be deemed to be a waiver of any of the terms and provisions hereof, and the Bank, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the Mortgagor of any and all of the terms and provisions of this Mortgage to be performed by the Mortgagor.

D. Neither the Mortgagor nor any other person now or hereafter obligated for the payment of the whole or any part of the Indebtedness shall be relieved of such obligation by reason of the failure of the Bank to comply with any request of the Mortgagor or of any other person so obligated to take action to foreclose this Mortgage or otherwise enforce any of the provisions of this Mortgage or of any obligations secured by this Mortgage, or by reason of the release, regardless of consideration, of the whole or any part of the security held for the Indebtedness, or by reason of any agreement or stipulation between any subsequent owner or owners of the Premises and the Bank extending the time of payment or modifying the terms of the Documents without first having obtained the consent of the Mortgagor or such other person. In the latter event, the Mortgagor and all such other persons shall continue to be liable to make such payments according to the terms of any such agreement of extension or modification unless expressly released and discharged in writing by the Bank.

E. Regardless of consideration and without the necessity for any notice to or consent by the holder of any subordinate lien on the Premises, the Bank may release the obligation of anyone at any time liable for any of the Indebtedness or any part of the security held for the Indebtedness and may extend the time of payment or otherwise modify the terms of the Documents without, as to the security or the remainder thereof, in anywise impairing or affecting the lien of this Mortgage or the priority of such lien, as security for the payment of the Indebtedness as it may be so extended or modified, over any subordinate lien. Bank may resort for the payment of the Indebtedness to any other security therefor held by the Bank in such order and manner as the Bank may elect.

12. Specific Remedies Upon Event of Default.

A. Foreclosure. When the Indebtedness shall become due, whether by acceleration or otherwise, Bank shall have the right to foreclose the lien hereof in accordance with the Illinois Mortgage Foreclosure Law, Illinois Compiled Statutes 735 ILCS 5/15-1101 et seq., as amended (the "Act") and to exercise any other remedies of Bank provided in the Notes or in the other Documents or which Bank may have at law, at equity or otherwise. In any suit to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness in the decree of sale, all expenditures and expenses which may be paid or incurred by or on behalf of Bank for attorney's fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurance with respect to title as Bank may deem reasonably necessary either to prosecute such suit or to evidence to bidders at sales which may be had pursuant to such decree the true conditions of the title to or the value of the Premises, and any other expenses and expenditures which may be paid or incurred by or on behalf of Bank and permitted by the Act to be included in such decree. All expenditures and expenses and fees as may be incurred in the protection of the Premises and Rents and income therefrom and the maintenance of the lien of this Mortgage, including the fees of any attorneys employed by Bank in any litigation or proceedings affecting this Mortgage, any Document or the Premises, including bankruptcy proceedings, or in preparation of the commencement or defense of any proceedings or threatened suit or proceeding, or

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otherwise in dealing specifically therewith, shall be so much additional Indebtedness and shall be immediately due and payable by Mortgagor, with interest thereon at the default rate set forth in any Document until paid.

B. Right of Possession. When the Indebtedness shall become due, whether by acceleration or otherwise, or if Bank has a right to institute foreclosure proceedings, Mortgagor shall, forthwith upon demand of Bank, surrender to Bank, and Bank shall be entitled to be placed in possession of the Premises as provided in the Act, and Bank, in its discretion and pursuant to court order, may enter upon and take and maintain possession of all or any part of the Premises, together with all documents, books, records, papers, and accounts of Mortgagor or the then owner of the Premises relating thereto, and may exclude Mortgagor, such owner, and any agents and servants thereof wholly therefrom and may, on behalf of Mortgagor or such owner, or in its own name as Bank and under the powers herein granted. In addition, Bank shall have the right, at any time after the filing a complaint to foreclose (or partially foreclose), either before or after sale, without notice and without requiring bond (notice and bond being hereby waived), without regard to the solvency or insolvency of Mortgagor at the time of application and without regard to the then value of the Premises or whether the same is then occupied, to make or require Mortgagor to make application for and obtain the appointment of a receiver for the Mortgaged Property. The Mortgagor hereby irrevocably consents to the appointment of a receiver, without objection, and shall covenant not to object, hinder or delay the Bank's appointment of a receiver for any reason. Such receiver shall have the power to collect the Rents during the pendency of such suit and, in case of a sale and a deficiency, during the full statutory period of redemption if any, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect the Rents (as defined herein), and shall have all other powers which may be necessary or usual in such cases for the protection, possession, control, management and operation of the Premises, including without limitation, any powers and rights under the Act or as provided in a court order appointing receiver. The court before which such suit is pending may from time to time authorize the receiver to apply the net income in the receiver's hands in payment, to which the Mortgagor shall not intervene or object to any such payment or disbursement, in whole or in part of: (a) the Indebtedness secured hereby, or by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree; and (b) the deficiency in case of a sale and deficiency. Without limiting the generality of the foregoing and without limiting any rights or powers granted to the Bank, receiver or any party acting as mortgagee in possession (either actual possession or constructive possession), including without limitation, those provided in the Act, the Bank or receiver shall have the following general powers:

(i) hold, operate, manage and control all or any part of the Premises and conduct the business, if any, thereof, either personally or by its agents, with full power to use such measures, legal or equitable, as Bank may deem necessary to enforce the payment or security of the Rents, issues, deposits, profits, and avails of the Premises, including without limitation actions for recovery of rent, actions in forcible detainer, and actions in distress for Rent, all without notice to Mortgagor;

(ii) cancel or terminate any lease or sublease of all or any part of the Premises for any cause or on any ground that would entitle Mortgagor to cancel the same;

(iii) elect to disaffirm any lease or sublease of all or any part of the Premises made subsequent to this Mortgage without Bank's prior written consent;

(iv) extend or modify any then existing leases and make new leases of all or any part of the Premises, which extensions, modifications, and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of any loan and the issuance of a deed to a purchaser at a foreclosure sale, it being understood and

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agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor, all persons whose interests in the Premises are subject to the lien hereof, and the purchaser at any foreclosure sale, notwithstanding any redemption from sale, reinstatement, discharge of the Indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any such purchaser;

(v) make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements in connection with the Premises as may seem judicious to Bank, to insure and reinsure the Premises and all risks incidental to Bank's possession, operation, and management thereof, and to receive all Rents, issues, deposits, profits, and avails therefrom;

(vi) apply the net income, after allowing a reasonable fee for the collection thereof and for the management of the Premises, to the payment of taxes, insurance premiums and other charges applicable to the Premises, or in reduction of the Indebtedness in such order and manner as Bank shall select; and

(vii) enter into contracts to sell the Premises and execute documents, deeds of conveyance and other documents to sell and convey all or any part of the Premises.

Nothing herein contained shall be construed as constituting Bank as a mortgagee in possession in the absence of the actual taking of possession of the Premises. Bank shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any lease. To the extent provided by law, Mortgagor shall and does hereby agree to protect, indemnify, defend and hold Bank harmless of and from any and all liability, loss or damage which it may or might incur under said leases or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said leases except for such claims and demands as result directly from the negligent or willful actions of Bank. Should Bank incur any such liability, loss or damage under said leases or under or by reason of the assignment thereof, or in the defense of any claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be so much additional indebtedness secured hereby, and shall become immediately due and payable without notice and with interest as provided under the Notes.

C. Rights Under Uniform Commercial Code. Upon and during the continuance of an Event of Default, Bank shall have the remedies of a secured party under the Illinois Uniform Commercial Code, including without limitation, the right to notify account debtors and to collect or compromise or sue for collection of all or any Accounts and Specific Intangibles by any lawful means. For the purpose of taking possession of the Fixtures, Bank may enter upon any premises on which the Fixtures or any part thereof may be situated and hold the Fixtures upon the Premises (without charge to Bank), or dispose of the Fixtures on the Premises, or remove the same to such other place or places as Bank shall determine. Upon demand by Bank, Mortgagor shall assemble the Fixtures and make them available to Bank at the Premises. Any requirement of notice under the Uniform Commercial Code shall be met if such notice is mailed to Mortgagor, postage prepaid, at least ten (10) days before the event with respect to which notice is required. Bank shall be entitled to recover all expenses incurred by Bank in retaking, holding, preparing for sale, selling and collecting the Fixtures, Accounts and Specific Intangibles, together with reasonable attorneys' fees and other expenses incurred by Bank in protecting and enforcing its rights and remedies with respect to the Indebtedness, the Fixtures, Accounts and Specific Intangibles. Mortgagor, to the extent permitted by law, hereby knowingly and voluntarily waives any right Mortgagor may have to remain in possession of the Premises or to collect any Rents or income therefrom during the pendency of any foreclosure proceedings and during any applicable redemption period. Also, paragraph 11 entitles the Bank to require immediate payment of the balance of

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the Indebtedness in full if the Premises are sold or otherwise transferred without the prior written consent of Bank. By execution of this Mortgage, the Mortgagor represents and acknowledges that the meaning and consequences of this paragraph have been discussed as fully as desired by the Mortgagor with the Mortgagor's legal counsel.

13. **Distribution Upon Sale.** Upon a foreclosure sale of the Premises or any part thereof, the proceeds of such sale shall, subject to applicable law, be applied in such order as Bank elects:

- A. To the payment of all costs of the suit or foreclosure, including reasonable attorneys' fees and the cost of title searches and abstracts;
- B. To the payment of all other expenses of Bank, including all monies expended by Bank and all other amounts payable by Mortgagor to Bank hereunder, with interest thereon;
- C. To the payment of all other Indebtedness including the interest thereon;
- D. To the payment of the surplus, if any, to Mortgagor or to whomsoever shall be entitled thereto.

14. **Sale in Parcels.** Upon any foreclosure sale of the Premises, the same may be sold either as a whole or in parcels, as Bank may elect and, if in parcels, the same may be divided as Bank may elect and, at the election of Bank, may be offered first in parcels, in any manner or order as Bank may elect in its sole discretion, and then as a whole, any law, statutory or otherwise, to the contrary notwithstanding, and Mortgagor hereby waives the right to require any such sale to be made in parcels or the right to select such parcels.

15. **Eminent Domain.** If all or any part of the Premises are taken, whether temporarily or permanently, under power of eminent domain or by condemnation, the entire proceeds of the award or other payment in relief thereof shall be paid directly to Bank.

16. **Assignment of Leases and Rents.**

A. As additional security for the payment of the Indebtedness and the performance of the covenants, terms and conditions contained herein and in any other Document, Mortgagor does hereby assign, mortgage and warrant to Bank, all rents, income and profits of the Premises and all present and future leases pertaining thereto and all guarantees of the tenant's obligations thereunder (collectively, "Rents"), together with the right in the Bank to enforce the leases, to take possession of the Premises and every part thereof, and to collect the rents and profits and to apply the same, as hereinafter provided, it being the intent hereby to establish an absolute transfer and assignment of all such leases, Rents, income and profits to Bank. Mortgagor hereby irrevocably appoints Bank its attorney-in-fact (this power of attorney and any other powers of attorney granted herein are powers coupled with an interest and cannot be revoked, modified or altered without the written consent of Bank) with or without taking possession of the Premises as provided in paragraph 12B hereof, to lease any portion of the Premises to any party upon such terms as Bank shall determine, and to collect all Rents due under each of the leases, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as Bank would have upon taking possession pursuant to the provisions of paragraph 12B hereof. Notwithstanding this assignment, until an Event of Default occurs, Mortgagor shall have the right to collect the Rents, profit and income of the Premises.

B. Mortgagor shall not, without the prior written consent of Bank, accept any prepaid Rent under any lease of the Premises except for the then current month and security deposits; nor shall Mortgagor enter into any new lease of the Premises or any part thereof except in accordance with a

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form of lease approved in advance by Bank. Mortgagor shall not take or suffer any actions which would effectuate a merger of a lease with a fee so as to terminate the lessee's obligations. Any act in violation of this paragraph 16B shall be void and of no effect.

C. Mortgagor shall perform all of the obligations of the lessor under all leases of the Premises or any part thereof in accordance with the terms and provisions thereof and shall not suffer or permit any impairment of the security thereof. Mortgagor shall manage the Premises and every part thereof in accordance with sound business practices. Mortgagor shall promptly take such actions as are reasonable and prudent to enforce the lessee's obligations under any lease. Bank shall have no obligations, responsibility or liability of lessor under any lease assigned hereby, and shall have no obligation to account for any security deposit unless the same has been actually deposited with Bank.

D. Mortgagor shall deliver to Bank within ten (10) days after written request from Bank a statement in writing setting forth the names of the tenants of the Premises, the expiration dates of the leases, and the amounts of Rents and any other sums due thereunder, and together therewith shall furnish to Bank copies of all such leases. Mortgagor shall, upon written request, execute and deliver to Bank such other and further documents as may be reasonably appropriate to confirm the assignment of Rents, profits, and leases made hereby.

E. Upon an Event of Default, Bank may, pursuant to the assignment herein contained, and in addition to exercising any and all other rights and remedies provided by this Mortgage or by law, including the appointment of a receiver (to which appointment Mortgagor consents), or by any other Document, with or without foreclosure or entry upon the Premises, demand, collect, sue for, receive, compromise, and compound all Rents, income and arrears of Rent as may then or thereafter be due and owing from the tenants, occupiers, lessees or assignees of any lessees of the Premises and Mortgagor hereby authorizes and directs the tenants, occupiers, lessees or assignees of any lessees of the Premises to make payment to Bank of Rent and any other sums then due and to become due under the leases upon receipt of written demand therefor by Bank, without liability for the determination of Bank's rights thereto. In addition, upon an Event of Default, Mortgagor's right to use the Rents is terminated, and upon written notice to Mortgagor, any Rents then or thereafter coming into Mortgagor's possession are to be held in trust by Mortgagor for the benefit of Bank in a segregated manner and immediately delivered to Bank, and Mortgagor shall have no rights to use the Rents for any purpose whatsoever without the prior written consent of Bank. In such event, Bank shall have the power, either directly or through a rental agent selected by Bank, to take possession of such Rents held by Mortgagor and to operate, maintain and repair the Premises, and to amend any lease and to exercise any and all rights of Mortgagor with respect to any lease; and out of the Rents and income thus received, after the payment of all costs and expenses of Bank, to retain all sums then or thereafter due hereunder, and also a commission of six percent (6%) upon all such Rents and income thus collected as compensation for its services in making such collections. The rights and powers of Bank hereunder shall continue and remain in full force and effect until all amounts due Bank hereunder, including any deficiency resulting from foreclosure sale, are paid in full, and shall continue after commencement of foreclosure and after foreclosure sale and until expiration of any applicable period of redemption, notwithstanding the sale of the Premises to a purchaser other than Bank. Bank shall not be liable to Mortgagor or anyone claiming under or through Mortgagor by reason of anything done or left undone by Bank hereunder, except for damage resulting from gross negligence or willful misconduct of Bank.

F. Mortgagor covenants, represents and warrants to Bank that Mortgagor has not executed any prior assignment of the leases of the Premises, or of the rents, profits and income of the Premises except to Bank and Mortgagor covenants it will not hereafter execute any such assignment until such time as all Indebtedness secured hereby is fully paid and satisfied.

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G. Mortgagor agrees that no holder of any subordinate lien shall have any right to terminate any lease of any portion of the Premises whether or not such lease is subordinate to this Mortgage.

17. MORTGAGOR'S WAIVER OF RIGHTS. THE MORTGAGOR ACKNOWLEDGES THAT THE TRANSACTION OF WHICH THIS MORTGAGE IS A PART IS A TRANSACTION WHICH DOES NOT INCLUDE EITHER AGRICULTURAL REAL ESTATE (AS DEFINED IN THE ILLINOIS MORTGAGE FORECLOSURE LAW, 735 ILCS 5/15-110 ET SEQ., HEREIN THE "ACT"), OR RESIDENTIAL REAL ESTATE (AS DEFINED IN THE ACT) EXCEPT AS OTHERWISE SET FORTH HEREIN, TO THE FULLEST EXTENT PERMITTED BY LAW, THE MORTGAGOR WAIVES THE BENEFIT OF ALL LAWS NOW EXISTING OR THAT MAY SUBSEQUENTLY BE ENACTED PROVIDING FOR (I) ANY APPRAISEMENT BEFORE SALE OF ANY PORTION OF THE MORTGAGED PROPERTY, (II) ANY EXTENSION OF THE TIME FOR THE ENFORCEMENT OF THE COLLECTION OF THE INDEBTEDNESS OR THE CREATION OR EXTENSION OF A PERIOD OF REDEMPTION FROM ANY SALE MADE IN COLLECTING SUCH DEBT AND (III) EXEMPTION OF THE MORTGAGED PROPERTY FROM ATTACHMENT, LEVY OR SALE UNDER EXECUTION OR EXEMPTION FROM CIVIL PROCESS. EXCEPT AS OTHERWISE SET FORTH HEREIN, TO THE FULL EXTENT THE MORTGAGOR MAY DO SO, THE MORTGAGOR AGREES THAT THE MORTGAGOR WILL NOT AT ANY TIME INSIST UPON, PLEAD, CLAIM OR TAKE THE BENEFIT OR ADVANTAGE OF ANY LAW NOW OR HEREAFTER IN FORCE PROVIDING FOR ANY APPRAISEMENT, VALUATION, STAY, EXEMPTION, EXTENSION, REINSTATEMENT OR REDEMPTION, OR REQUIRING FORECLOSURE OF THIS MORTGAGE BEFORE EXERCISING ANY OTHER REMEDY GRANTED HEREUNDER THE MORTGAGOR, FOR THE MORTGAGOR AND ITS SUCCESSORS AND ASSIGNS, AND FOR ANY AND ALL PERSONS EVER CLAIMING ANY INTEREST IN THE MORTGAGED PROPERTY, TO THE EXTENT PERMITTED BY LAW, HEREBY WAIVES AND RELEASES ALL RIGHTS OF REINSTATEMENT, REDEMPTION, VALUATION, APPRAISEMENT, STAY OF EXECUTION, NOTICE OF ELECTION TO MATURE OR DECLARE DUE THE WHOLE OF THE SECURED INDEBTEDNESS AND MARSHALLING IN THE EVENT OF FORECLOSURE OF THE LIENS HEREBY CREATED. IF THE MORTGAGOR IS A TRUSTEE, MORTGAGOR REPRESENTS THAT THE PROVISIONS OF THIS PARAGRAPH (INCLUDING THE WAIVER OF REINSTATEMENT AND REDEMPTION RIGHTS) WERE MADE AT THE EXPRESS DIRECTION OF MORTGAGOR'S BENEFICIARIES AND THE PERSONS HAVING THE POWER OF DIRECTION OVER MORTGAGOR, AND ARE MADE ON BEHALF OF THE TRUST ESTATE OF MORTGAGOR AND ALL BENEFICIARIES OF MORTGAGOR, AS WELL AS ALL OTHER PERSONS MENTIONED ABOVE.

18. State Specific Provisions

A. Compliance with Illinois Mortgage Foreclosure Law. If any provision of this Mortgage is inconsistent with any applicable provision of the Act, the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can fairly be construed in a manner consistent with the Act.

Without in any way limiting or restricting any of Bank's rights, remedies, powers and authorities under this Mortgage, and in addition to all of such rights remedies, powers and authorities, Bank shall also have and may exercise any and all rights, remedies, powers and authorities which the holder of a mortgage is permitted to have or exercise under the provisions of the Act, as the same may be amended from time to time. If any provision of this Mortgage grants to Bank any right, remedies, powers or authorities upon default of Mortgagor which are more limited than the rights that would otherwise be vested in Bank under the Act in the absence of said provision, Bank shall be vested with all of the rights, remedies, powers and authorities granted in the Act to the fullest extent permitted by law.

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Without limiting the generality of the foregoing, all expenses incurred by Bank, to the extent reimbursable under 735 ILCS 5/15-1510, 735 ILCS 5/15-1512, or any other provisions of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether or not enumerated in any other provision of this Mortgage, shall be added to the Indebtedness secured by this Mortgage and by the judgment of foreclosure.

Mortgagor acknowledges that the transaction of which this Mortgage 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 15-1601(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.

In addition to any provision of this Mortgage authorizing the Bank to take or be placed in possession of the Premises, or for the appointment of a receiver, Bank shall have the right, in accordance with Sections 15-1701 and 15-1702 of the Act, to be placed in the possession of the Premises or at its request to have a receiver appointed, and such receiver, or Bank, if and when placed in possession, shall have, in addition to any other powers provided in this Mortgage, all rights, powers, immunities, and duties and provisions set forth in Sections 15-1701 and 15-1703 of the Act.

Mortgagor and Bank 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, Bank 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.

B. Mortgagor Waivers. Mortgagor agrees, to the fullest extent that Mortgagor may lawfully so agree, that Mortgagor 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 Mortgage or the absolute sale of the Premises 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 Mortgagor, for Mortgagor and all who may claim through or under Mortgagor, so far as Mortgagor or those claiming through or under Mortgagor now or hereafter lawfully may, hereby waives the benefit of all such laws. Mortgagor, to the extent Mortgagor may lawfully do so, hereby waives any and all right to have the Premises marshaled upon any foreclosure of this Mortgage, or sold in inverse order of alienation, and agrees that Bank or any court having jurisdiction to foreclose this Mortgage may sell the Premises as an entirety. If any law now or hereafter in force referred to in this paragraph of which Mortgagor or Mortgagor'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 paragraph.

In the event of the commencement of judicial proceedings to foreclose this Mortgage, Mortgagor, on behalf of Mortgagor, its successors and assigns, and each and every person or entity they may legally bind acquiring any interest in or title to the Premises subsequent to the date of this Mortgage, except as may be prohibited by local law: (a) expressly waives any and all rights of appraisal, valuation, stay, extension and reinstatement and redemption from sale under any order or decree of foreclosure of this Mortgage; and, (b) agrees that when sale is had under any decree of foreclosure of this Mortgage, 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

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the Premises, 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.

Notwithstanding anything to the contrary in this Section 16.3, or any other provision of this Mortgage, Mortgagor does not waive any compulsory defense, any defense based on payment in full and/or fulfillment of the Indebtedness. Furthermore, Mortgagor does not waive any claim which would constitute a defense, set off, counterclaim or crossclaim of any nature whatsoever against Bank in any separate action or proceeding.

C. Maximum Amount Secured. It is expressly understood and agree that the maximum amount secured by this Mortgage shall not exceed two hundred percent (200%) of the aggregate face amount of the Notes. The Notes bear interest at variable rates determined in accordance with the Preferred Holdings of Alsip Note.

D. No Lien Management Agreements. Mortgagor shall include a subordination provision in any property management agreement hereafter entered into by Mortgagor with a property manager for the Premises, whereby the property manager subordinates 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 subordination provision or a short form thereof shall, at Bank's request, be recorded with the Recorder of Deeds of the county in which this Mortgage was filed, as appropriate.

E. Collateral Protection Act. Pursuant to the terms of the Collateral Protection Act (815 ILCS 180/1 et seq.), unless Mortgagor provides Bank with evidence of the insurance required by this Mortgage or any other Loan Document, Bank may purchase insurance at Mortgagor's expense to protect Bank's interest in the Premises or any other collateral for the indebtedness secured hereby. This insurance may, but need not, protect Mortgagor's interests. The coverage Bank purchases may not pay any claim that Mortgagor makes or any claim that is made against Mortgagor in connection with the Premises or any other collateral for the indebtedness secured hereby. Mortgagor may later cancel any insurance purchased by Bank, but only after providing Bank with evidence that Mortgagor has obtained insurance as required under by this Mortgage or any other Loan Document. If Bank purchases insurance for the Premises or any other collateral for the indebtedness secured hereby, Mortgagor shall be responsible for the reasonable costs of that insurance, including interest in any other charges that Bank 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 Mortgagor may be able to obtain on its own. Upon foreclosure of this Mortgage or other transfer of the Premises in satisfaction of the Indebtedness, all right, title and interest of Mortgagor in and to any insurance policies then in force, including the right to any premium refund thereon, shall vest in the purchaser or grantee. In event of any loss of or damage to the Premises, Mortgagor will give immediate notice thereof to Bank, and Bank shall have the right to make proof of the loss or damage, if Mortgagor does not promptly do so. Bank is authorized to settle, adjust, or compromise any claims for loss or damage under any such insurance policy. Mortgagor shall forthwith endorse and deliver to Bank all proceeds of any such policy.

F. Future Advances. This Mortgage secures not only present indebtedness but also future advances, whether such future advances are obligatory or are to be made at the option of Bank, 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.

G. Business Loan. The proceeds of the loans referred to herein shall be used solely for business purposes and in furtherance of the regular business affairs of Borrowers, and the entire principal obligation secured by this Mortgage constitutes (A) a "business loan" as that term is defined in,

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and for all purposes of, 815 ILCS 205/4 (1) (c); (B) a "loan secured by a mortgage on real estate" within the purview and operation of 815 ILCS 205/4(1)(l); and (C) 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 Mortgagor and for Mortgagor's investment or profit, as contemplated by said section.

19. **Transfer of Mortgagor's Interest.** It shall be an Event of Default hereunder if, without Bank's prior written consent, Mortgagor shall at any time cease to be the holder of the entire record title to and beneficial interest in the Premises or any part thereof, whether by sale or any other means whatsoever (other than leases in the ordinary course of business), or any lien or encumbrance is placed upon the Premises, even if inferior hereto, or Mortgagor executes any contract of sale or transfers possession of the Premises or any part thereof or assigns the right to receive the Rents.

20. **Security Agreement/Financing Statement.** This Mortgage is a mortgage, security agreement, fixture filing and financing statement under the Uniform Commercial Code. This instrument is also to be indexed in the index of fixture filings and financing statements. This instrument covers goods which are or are to become fixtures on the Premises except for trade fixtures of any kind of the Premises. The names of the debtor and the secured party, the mailing address of the secured party from which information concerning this security interest may be obtained, the mailing address of the debtor and a statement indicating the types, or describing the items, of collateral, are as described herein, in compliance with the requirements of the Uniform Commercial Code. A copy of this Mortgage may be filed as a financing statement.

21. **Cumulative Remedies.** Each and every one of the rights, remedies and benefits provided to Bank herein or in any other Document shall be separate, distinct and cumulative and shall not be exclusive of any other of said rights, remedies or benefits, or of any other rights, remedies or benefits allowed by law. Any waiver by Bank of any default shall not constitute a waiver of any similar or other default. No act of the Bank shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision.

22. **Binding Effect.** All of the covenants and conditions hereof shall run with the land and shall be binding upon the successors and assigns of Mortgagor, and shall inure to the benefit of the successors and assigns of Bank. Any reference herein to "Bank" and "Mortgagor" shall include the successors and assigns of each.

23. **Severability.** The invalidity of any of the covenants, phrases or clauses in this Mortgage shall not affect the remaining portions hereof, and this Mortgage shall be construed as if such invalid covenant, phrase or clause had not been contained herein.

24. **Joint and Several Liability.** If Mortgagor consists of more than one party, the term "Mortgagor" shall include all such parties and they shall be jointly and severally liable under any and all obligations, covenants and agreements of the Mortgagor contained herein.

25. **Mortgagor's Certificate.** Mortgagor, upon Bank's request, shall certify, by a writing duly acknowledged, to the Bank or to any proposed assignee of this Mortgage, the amount of the Indebtedness then owing and whether any offsets, counterclaims or defenses exist against the Indebtedness, within ten (10) days after the request is made.

26. **Notice.** Any notice that Bank or Borrower may desire or be required to give to the other shall be in writing and shall be mailed or delivered (in person or by nationally recognized overnight courier service) to the intended recipient at its address set forth above or at such other address as such party may, in writing, designate to the other. Any notice shall be deemed to have been given and

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effective on the date of delivery if hand-delivered, the next business day after delivery to the nationally recognized overnight courier service if by such courier service, or two (2) business days after mailing by United States registered or certified mail, return receipt requested, or when delivered in person. Any party may change the address to which notices may be sent by notice to the other party or parties as provided herein. Unless specifically required herein, notice to Borrower of the exercise of any option granted to Bank by this Mortgage is not required.

27. **Effect of Headings.** The headings of each paragraph are descriptive only and have no legal effect.

28. **Governing Law.** This Mortgage shall be governed by and construed and interpreted in accordance with the laws of the State of Illinois.

[Signature Page to Follow]


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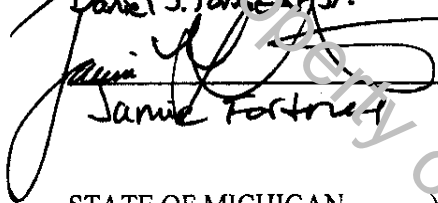
[Signature Page to Mortgage, Security Agreement, Assignment of Rents and Leases,
Fixture Filing and Financing Statement]

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

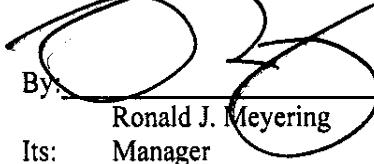
In the Presence of:

Preferred Holdings of Alsip, LLC



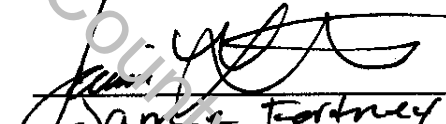
Daniel J. Meyer, Jr.


Jamie Fortney


By: _____
Ronald J. Meyering
Its: Manager

STATE OF MICHIGAN)
) : ss.
COUNTY OF Kent)

The foregoing instrument was acknowledged before me this 26 day of June,
2015, by Ronald J. Meyering, Manager of Preferred Holdings of Alsip, LLC.



Jamie Fortney
Notary Public
Ottawa County, Michigan
My Commission Expires: 12-3-17

Drafted by and when recorded return to:
Shawn N. Hopper
Miller Canfield Paddock and Stone
150 W. Jefferson Avenue
Suite 2500
Detroit, MI 48226

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EXHIBIT A
(Legal Description)

Parcel 1:

Lot 1 in Jan's Subdivision recorded January 30, 1981, as Document No. 25757372, being a subdivision of part of the Southwest 1/4 of Section 28, Township 37 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 2:

That part of the Southwest Quarter of Section 28, Township 37 North, Range 13, East of the Third Principal Meridian, bounded and described as follows: Commencing at the point of intersection of the East line of the Southwest Quarter of said Section 28 and the Northerly right-of-way line of the Chicago Sanitary District property; thence Northwesterly on the last described line a distance of 1749.87 feet to the Point of Beginning of the hereinafter described parcel of land; thence continuing Northwesterly on said Northerly right-of-way line of the Chicago Sanitary District property a distance of 500.13 feet to the Easterly line of Marina Drive; thence Northeasterly perpendicular to the last described line of the Easterly line of Marina Drive to the Southerly line of Plattner Drive; thence Easterly along the Southerly line of Plattner Drive to a point on the West line of Lot 1, said point being 28.40 feet South of the Northwesterly corner of Lot 1 in Jan's Subdivision being a subdivision of part of the Southwest Quarter of said Section 28, as per Plat thereof recorded January 30, 1981 as Document No. 25757372; thence Southwesterly along the Westerly line of said Lot 1, to the Point of Beginning, in Cook County, Illinois.

Parcel 3:

A parcel of land in Section 20, Section 28, and Section 29, Township 37 North, Range 13 East of the Third Principal Meridian, described as follows: Beginning at a point in the curved Southerly line of the South 250 feet wide Northern Illinois Toll Highway, said point being 1130 feet West of, by right angles measure, the East line of the Southwest 1/4 of said Section 28; thence Northwesterly on said curve, convex to the Southwest having a radius of 2989.79 feet an arc distance of 23.20 feet; thence North 56 degrees 2 minutes 30 seconds West along said Southwesterly line tangent to said curve, 5705.4 feet to a point of tangency with a curved line; thence Northwesterly on said curve convex to the South to the Southwest and having a radius of 2989.79 feet, an arc distance of 1004.79 feet; thence North 36 degrees 47 minutes 10 seconds West, tangent to said curve, 112.04 feet to a point in the West line of the Southeast 1/4 of the Southwest 1/4 of said Section 28; thence South 0 degrees 21 minutes East on said line, 353.25 feet, to the Southwest corner of said Southeast 1/4 of the Southwest Quarter; thence South 59 degrees 00 minutes 40 seconds East, 1562.76 feet to a point in the North and South 1/4 line of said Section 29, said point being 800 feet South of the North 1/4 corner thereof; thence South 54 degrees 51 minutes 40 seconds East, 3269.33 feet to the West 1/4 corner of said Section 28; thence South 49 degrees 10 minutes 30 seconds East, along a straight line that intersects the South line of the Southeast 1/4 of said Section 28, at a point 400 feet East of the South 1/4 corner thereof, for a distance of 1769.80 feet to a point in a line drawn at right angles to the above straight line, and said right angles intersects the Point of Beginning of this parcel of land; thence North 40 degrees 49 minutes 30 seconds East, on said right angles line 287.71 feet to said Point of Beginning, except that part lying Southeast of the Northwest line of Marina Drive, as dedicated for public right-of-way by Document No. 90287104; and also except those parts conveyed to the Illinois State Tolls Highway Authority by Document No. 0633308161; and also except that part described as follows: That part of Southwest Quarter of Section 28, Township 37 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois, described as follows: Beginning at the Southwest corner of Marina Drive as dedicated for public right-of-way by Document No. 90287104; thence North 50 degrees 56 minutes 43 seconds West, on a

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line that extended to the Northwest corner of said Southwest Quarter 71.63 feet; thence North 33 degrees 02 minutes 08 seconds East, 26.75 feet; thence South 55 degrees 06 minutes 47 seconds West, 26.01 feet; thence South 33 degrees 02 minutes 08 seconds West, 12.01 feet; thence South 55 degrees 06 minutes 47 seconds East, 47.35 feet to the Northwest right-of-way line of said Marina Drive; thence South 39 degrees 03 minutes 17 seconds West, on said Northwest right-of-way line, 19.99 feet to the point of beginning; and also except that part conveyed from HYY Management, LLC, an Illinois Limited Liability Company to the Village of Alsip, an Illinois municipal corporation, by Quit Claim Deed dated December 18, 2008 and recorded December 31, 2008 as Document No. 0836633015.

Commonly Known As: 5300 W. Plattner Drive, Alsip, Illinois

Permanent Index Numbers: 24-28-400-054-0000
 24-28-300-006-0000
 24-29-200-007-0000
 24-28-300-008-0000

Property of Cook County Clerk's Office

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EXHIBIT B

PERMITTED ENCUMBRANCES

1. Covenants, conditions, and restrictions contained in Deed to Badger Building Corporation recorded July 23, 1965 as document number 19536485, but omitting therefrom any covenant or restriction based on race, color, religion, sex (gender), handicap, familial status, or national origin.
2. A 10-foot utility easement along the Northwesterly and Southeasterly lot lines as shown on the Plat of Jan's Subdivision recorded as Document No. 25757372, and the easement provisions and grantees therein contained.
3. A 30-foot utility easement along the Southwesterly lot line as shown on the Plat of Jan's Subdivision recorded as Document No. 25757372, and the easement provisions and grantees therein contained.
4. A 20-foot utility easement along the Southerly 20 feet of the Northeasterly 60 feet of the Southeasterly 90 feet of Lot 1 as shown on the Plat of Jan's Subdivision recorded as Document No. 25757372, and the easement provisions and grantees therein contained.
5. A 40-foot easement for ingress and egress and utilities along the Northerly property line, contained in the Easement recorded as Document No. 26931570 and as shown on the Plat of Jan's Subdivision recorded as Document No. 25757372, and the easement provisions and grantees therein contained.
6. Plat of easement for utilities recorded April 11, 1988 as Document No. 88149890, and the provisions therein contained.
7. Easement in favor of public utilities, their respective successors and assigns, contained in the Grant recorded as Document No. 87462005, and the provisions therein contained.
8. Unrecorded easement in favor of Commonwealth Edison Company, its successors and assigns, as disclosed by the Grant recorded August 20, 1987 as Document No. 87462005, and the provisions therein contained.
9. Rights of the Public, the Municipality and the State of Illinois in and to that part of the land taken or used for road purposes as disclosed by Plats of Dedication recorded as Document Nos. 85346031 and 90287104.
10. Terms and provisions contained in and rights and easements established by Easement Agreement recorded December 17, 2008 as Document No. 0835216036.
11. Easement for Ingress and Egress created by Grant in Easement Agreement recorded December 17, 2008 as Document No. 0835216036, and the provisions therein contained.
12. Easement in favor of Commonwealth Edison Company, its successors and assigns, as contained in the Grant recorded August 20, 1987 as Document No. 87462005, and the provisions therein contained.
13. Easement for intercepting sewer in favor of the Metropolitan Sanitary District of Greater Chicago as contained in the Grant recorded February 28, 1964 as Document No. 19059312.

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14. Possible existing location of Commonwealth Edison easement disclosed by the overhead wires as shown on the Survey made by Professional Surveying, Inc. dated April 11, 2015 and designated Job No. 1510559.
15. Consequences of the fact that the signs located on "Sign Easements 'D' and 'E'" extend beyond the boundaries of the easement areas, as disclosed by Survey made by Professional Surveying, Inc. dated April 11, 2015 and designated Job No. 1510559.
16. The following matters shown on the Survey made by Professional Land Surveying, Inc. dated April 11, 2015 and designated Job No. 1510559:
 - A) Encroachment of sign and concrete curb onto the public utility easement shown on the Plat of Subdivision along the Northwesterly line of Parcel 1;
 - B) Encroachment of the fence onto the Ingress and Egress easement along the Northeasterly line of Parcel 1;
 - C) Encroachment of the fence onto the utility easement shown on the Plat of Subdivision and Document No. 88149890 along the Southwesterly line of Parcels 1 and 2;
 - D) Encroachment of the fence located mainly on the Land onto the property Southeast of and adjoining Parcel 3;
 - E) Encroachment of the fence located mainly on the property Southeast of and adjoining Parcel 3 onto the Land by approximately 2.0 feet.