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Doc#: 1531622110 Fee: \$56.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 11/12/2015 10:23 AM Pg: 1 of 10

Illinois Anti-Predatory Lending Database Program

Certificate of Exemption

SWAS 2015-11-10
2/25
LND

Report Mortgage Fraud
800-532-8785

Property of Cook County Clerk's Office

The property identified as: **PIN:** 13-25-306-020-0000

Address:

Street: 2649 NORTH FRANCISCO

Street line 2:

City: CHICAGO

State: IL

ZIP Code: 60647

Lender: NATIONAL COVENANT PROPERTIES

Borrower: NEW COMMUNITY COVENANT CHURCH

Loan / Mortgage Amount: \$2,100,000.00

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.

S Y
P 10
S N
BC T
INT 10

Certificate number: 907A2EFA-DE83-4C5A-A364-77D0D50EAC44

Execution date: 10/1/2015

CCRD REVIEWER

R4
bot 334
10

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FIRST MORTGAGE (ILLINOIS) ("MORTGAGE")

MAIL TO: Stephen R. Dawson
National Covenant Properties
8303 West Higgins Road
Chicago, IL 60631

NAME AND ADDRESS OF PREPARER:

Heather J. Rose
Erickson-Papanek-Peterson-Rose
1625 Shermer Road
Northbrook, IL 60062



Above Space for Recorder's use only

THIS AGREEMENT, made as of October 1, 2015, between NEW COMMUNITY COVENANT CHURCH, an Illinois not for profit corporation, herein referred to as "Mortgagor," of 2840 West Logan Boulevard, Chicago, Illinois 60647, and NATIONAL COVENANT PROPERTIES, an Illinois not for profit corporation, herein referred to as "Mortgagee," of 8303 West Higgins Road, Chicago, Illinois, 60631 witnesseth:

THAT WHEREAS Mortgagor is justly indebted to Mortgagee upon that certain First Mortgage Note Secured by Real Estate of even date herewith (the "Note"), in the principal sum of TWO MILLION and NO/100 DOLLARS (\$2,000,000.00), payable to the order of and delivered to Mortgagee, in and by which Note Mortgagor promises to pay the said principal sum and interest at the rate and in the amounts as provided in said Note, with a final payment of the balance due on the January 31, 2037. This Mortgage shall also secure future advances ("Future Advances") from Mortgagee to Mortgagor which, when aggregated with the original principal amount of the Note, do not exceed TWO MILLION ONE HUNDRED THOUSAND and NO/100 DOLLARS (\$2,100,000.00). All of said principal and interest are made payable at such place as the holders of the Note may, from time to time, in writing appoint, and in absence of such appointment, then at the office of Mortgagee at 8303 West Higgins Road, Chicago, Illinois 60631.

NOW, THEREFORE, Mortgagor to secure the payment of the said principal sum of money and said interest in accordance with the terms, provisions and limitations of the Note, this Mortgage, and any note(s) evidencing any Future Advances, if any, and the performance of the covenants and agreements herein contained, by Mortgagor to be performed, and also in consideration of the sum of One Dollar in hand paid, the receipt whereof is hereby acknowledged, does by these presents CONVEY AND WARRANT unto Mortgagee, and Mortgagee's successors and assigns, the following described Real Estate and all of the estate, right, title, and interest therein, situate, lying and being in the CITY OF CHICAGO, COUNTY OF COOK IN THE STATE OF ILLINOIS, to wit:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF.

which, with the property herein after described, is referred to herein as the "Property,"

Permanent Real Estate Index Number(s): 13-25-306-020-0000 and 13-25-306-068-0000

Address(es) of Real Estate: 2649 North Francisco, Chicago, Illinois 60647

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily) and all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing), screens, window shades, storm doors and windows, floor coverings, inador beds, awnings, stoves, and water heaters; and SUBJECT TO all and singular existing taxes, assessments, liens, encumbrances, covenants,

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conditions, restrictions, rights-of-way, and easements of record. All of the foregoing are declared to be a part of said real estate whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the Property by Mortgagor or its successors or assigns shall be considered as constituting part of the real estate.

TO HAVE AND TO HOLD the Property unto Mortgagee, and Mortgagee's successors and assigns, forever, for the purposes, and upon the uses herein set forth, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits Mortgagee does hereby expressly release and waive.

SEE RIDER ATTACHED HERETO AND MADE A PART HEREOF.

The name of a record owner is: NEW COMMUNITY COVENANT CHURCH, an Illinois not for profit corporation

This Mortgage consists of 9 pages. The covenants, conditions and provisions appearing on pages 3 and 4 are incorporated herein by reference and are a part hereof and shall be binding on Mortgagee, its heirs, successors, and assigns.

Witness the hand . . . and seal . . . of Mortgagee the day and year first above written.

PLEASE
PRINT OR
TYPE NAME(S)
BELOW
SIGNATURE(S)

NEW COMMUNITY COVENANT CHURCH, an Illinois not
for profit corporation

By [Signature]
Its Treasurer

And Kautila Anne Kim-Sorech
Its Executive Pastor

State of Illinois, County of Cook ss.

IMPRESS
SEAL
HERE

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Jack Gang personally known to me to be the Treasurer of said corporation, and Kautila Anne Kim-Sorech personally known to me to be the Executive Pastor of said corporation and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and severally acknowledged that as such _____ and _____, they signed and delivered the said instrument and caused the corporate seal of said corporation to be affixed thereto, pursuant to the authority given by the Board of _____ of said corporation, is their free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this 1st day of August 2015

Commission expires _____ 20 _____
NOTARY PUBLIC

This instrument was prepared by Christopher W. Cramer, Erickson-Papanek-Peterson-Rose, 1625 Sherman Rd., Northbrook, IL 60062
(Name and Address)

Mail this instrument to Stephen R. Dawson, National Covenant Properties, 8303 West Higgins Road
(Name and Address)

Chicago, Illinois 60631
(City) (State) (Zip Code)

OR RECORDER'S OFFICE BOX NO. _____



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THE COVENANTS, CONDITIONS AND PROVISIONS REFERRED TO ON PAGE 2.

1. Mortgagor shall (1) promptly repair, restore, or rebuild any buildings or improvements now or hereafter on the Property which may become damaged or be destroyed; (2) keep said Property in good condition and repair, without waste, and free from mechanic's or other liens or claims for lien not expressly subordinated to the lien thereof; (3) pay when due any indebtedness which may be secured by a lien or charge on the Property superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee; (4) complete within a reasonable time any building or buildings now or at any time in process of erection upon said Property; (5) comply with all requirements of law or municipal ordinances with respect to the Property and the use thereof; (6) make no material alterations in said Property except as required by law or municipal ordinance.
2. Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the Property when due, and shall, upon written request, furnish to Mortgagee duplicate receipts therefor. To prevent default hereunder, Mortgagor shall pay in full under protest, in the manner provided by statute, any tax or assessment which Mortgagor may desire to contest.
3. In the event of the enactment after this date of any law of Illinois deducting from the value of land for the purpose of taxation any lien thereon, or imposing upon Mortgagee the payment of the whole or any part of the taxes or assessments or debts secured by the Mortgage, Future Advances or any other mortgages or Mortgagee's interest in the Property, or the manner of collection of taxes, so as to affect this Mortgage charges or the debt secured hereby or the holder thereof, then and in any such event, Mortgagor, upon demand by Mortgagee, shall pay such taxes or assessments, or reimburse Mortgagee therefor; provided, however, that if in the opinion of counsel for the Mortgagee (a) it might be unlawful to require Mortgagor to make such payment or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, Mortgagee may elect, by notice in writing given to Mortgagor, to declare all of the indebtedness secured hereby to be and become due and payable sixty (60) days from the giving of such notice.
4. If, by the laws of the United States of America or any state having jurisdiction in the Property, any tax is due or becomes due in respect of the issuance of the Note and any Future Advances hereby secured, Mortgagor covenants and agrees to pay such tax in the manner required by any such law. Mortgagor further covenants to hold harmless and agree to indemnify Mortgagee, and Mortgagee's successors or assigns, against any liability incurred by reason of the imposition of any tax on the issuance of the Note and any Future Advances secured hereby.
5. At such time as Mortgagor is not in default either under the terms of the Note secured hereby or under the terms of any Future Advances secured hereby or under the terms of this Mortgage, Mortgagor shall have such privilege of making prepayments on the principal of said Note (in addition to the required payments) and any Future Advances (in addition to the required payments) as may be provided in said Note and any Future Advances.
6. Mortgagor shall keep all buildings and improvements now or hereafter situated on said Property insured against loss or damage by fire, lightning, and windstorm under policies providing for payment by the insurance companies of moneys sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, all in companies satisfactory to Mortgagee, under insurance policies payable, in case of loss or damage, to Mortgagee, such rights to be evidenced by the standard mortgage clause to be attached to each policy, and shall deliver all policies, including additional and renewal policies, to Mortgagee, and in case of insurance about to expire, shall deliver renewal policies not less than ten days prior to the respective dates of expiration.
7. In case of default therein, Mortgagee may, but need not, make any payment or perform any act hereinbefore required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise, or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said Property or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other moneys advanced by Mortgagee to protect the mortgaged Property and the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the highest rate now permitted by Illinois law. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to Mortgagee on account of any default hereunder on the part of Mortgagor.
8. Mortgagee making any payment hereby authorized relating to taxes or assessments may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof.
9. Mortgagor shall pay each item of indebtedness herein mentioned, both principal and interest, when due according to the terms hereof. At the option of Mortgagee and without notice to Mortgagor, all unpaid indebtedness secured by this Mortgage shall, notwithstanding anything in the Note or any Future Advances or in this Mortgage to the contrary, become due and payable (a) immediately in the case of default in making payment of any installment of principal or interest on the Note or any Future Advances, or (b) when default shall occur and continue for three days in the performance of any other agreement of Mortgagor herein contained.
10. When the indebtedness hereby shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and 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, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Property. All expenditures and expenses of the nature in this paragraph mentioned

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shall become so much additional indebtedness secured hereby and immediately due and payable, with interest thereon at the highest rate now permitted by Illinois law, when paid or incurred by Mortgagee in connection with (a) any proceeding, including probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured; or (b) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or (c) preparations for the defense of any actual or threatened suit or proceeding which might affect the Property or the security hereof.

11. The proceeds of any foreclosure sale of the Property shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including, but not limited to, all such items as are mentioned in the preceding paragraph hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note or any Future Advances, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note and any Future Advances; fourth, any overplus to Mortgagor, its heirs, legal representatives, or assigns, as its rights may appear.

12. Upon or any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of said Property. Such appointment may be made either before or after the sale, without notice, without regard to the solvency or insolvency of Mortgagor, at the time of application for such receiver and without regard to the then value of the Property or whether the same shall be then occupied as a homestead or not, and Mortgagee may be appointed as such receiver. Such receiver shall have the power to collect the rents, issues and profits of said Property during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Property during the whole of said period. The Court from time to time may authorize the receiver to apply the net income in its hands in payment in whole or in part of: (1) 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, provided such application is made prior to foreclosure sale; (2) the deficiency in case of a sale and deficiency.

13. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note hereby secured or any Future Advances hereby secured.

14. Mortgagee shall have the right to inspect the Property at all reasonable times and access thereto shall be permitted for that purpose.

15. Mortgagor shall periodically deposit with Mortgagee such sums as Mortgagee may reasonably require for payment of taxes and assessment on the Property. No such deposit shall bear any interest.

16. If the payment of said indebtedness or any part thereof be extended or varied or if any part of the security be released, all persons now or at any time hereafter liable therefor, or interested in said Property, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such persons being expressly reserved by Mortgagee, notwithstanding such extension, variation or release.

17. Mortgagee shall release this Mortgage and lien thereof by proper instrument upon payment and discharge of all indebtedness secured hereby and payment of a reasonable fee to Mortgagee for the execution of such release.

18. This Mortgage and all provisions hereof, shall extend to and be binding upon Mortgagor and all persons claiming under or through Mortgagor, and the word "Mortgagor" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note and/or any or all Future Advances or this Mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of Mortgagee named herein and the holder or holders, from time to time, of the Note secured hereby and/or any or all Future Advances secured hereby.

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**RIDER ATTACHED TO FIRST MORTGAGE ("MORTGAGE")
BETWEEN NEW COMMUNITY COVENANT CHURCH, MORTGAGOR,
AND NATIONAL COVENANT PROPERTIES, MORTGAGEE**

1. **Conflict.** Where the terms of this Rider and Mortgage conflict, the Rider shall control.
2. **Transfer of the Property.** If all or any part of the Property or any interest in it is sold or transferred without the prior written consent of Mortgagee, Mortgagee may, at its option, require immediate payment in full of all sums secured by this Mortgage.
3. **Congregational Investment Generation Amount; Base Interest Rate Adjustments.** At the end of each fiscal quarter throughout the term of the Note secured by this Mortgage, the average balance as of that quarter of all National Covenant Properties investment certificates (currently, 5-Year Fixed Rate Renewable Certificates, 30-Month Fixed Rate Renewable Certificates, Variable Rate Certificates, Demand Investment Accounts, Individual Retirement Account (IRA) Certificates and Health Savings Account (HSA) Certificates) (collectively, "NCP Certificates") held by members and other eligible participants of Mortgagor, in the aggregate (the "Quarterly Congregational Investment Generation Amount") will be calculated. This Quarterly Congregational Investment Generation Amount will then be measured against the lesser of (i) TWO MILLION and NO/100 Dollars (\$2,000,000.00) and (ii) the unpaid balance outstanding on this Note, as of the same period ("Quarterly Loan Balance Amount"). The Original Interest Rate, as adjusted from time to time by the Periodic Interest Rate Adjustment (as defined hereinafter), (the "Base Interest Rate") will be adjusted, based upon the measurement of the Quarterly Congregational Investment Generation Amount to the Quarterly Loan Balance Amount, as follows:
 - (a) for each period immediately following a quarter that the Quarterly Congregational Investment Generation Amount is equal to at least Five Percent (5%) but less than Ten Percent (10%) of the Quarterly Loan Balance Amount, the interest rate will be the Base Interest Rate less One-Quarter of One Percent (0.25%) per annum;
 - (b) for each period immediately following a quarter that the Quarterly Congregational Investment Generation Amount is equal to at least Ten Percent (10%) but less than Fifteen Percent (15%) of the Quarterly Loan Balance Amount, the interest rate will be the Base Interest Rate less One-Half of One Percent (0.50%) per annum;
 - (c) for each period following a quarter that the Quarterly Congregational Investment Generation Amount is equal to at least Fifteen Percent (15%) of the Quarterly Loan Balance Amount, the interest rate will be the Base Interest Rate less Three-Quarters of One Percent (0.75%) per annum;
 (sections (a)-(c) above, individually, a "Base Interest Rate Adjustment Requirement").

 PROVIDED, however, that the maximum interest rate reduction, on a cumulative basis throughout the term of this Note, shall not exceed Three-Quarters of One Percent (0.75%) of the Base Interest Rate and FURTHER PROVIDED, that the monthly payments of principal and interest shall not be adjusted as a result of any interest rate reduction under this paragraph. In the event that the Quarterly Congregational Investment Generation Amount, as measured against the Quarterly Loan Balance Amount, falls below the Base Interest Rate Adjustment Requirement which gave rise to an adjustment in the Base Interest Rate, Mortgagee may increase the Base Interest Rate to correspond with the Base Interest Rate Adjustment Requirement that is actually met as of each fiscal quarter.
4. **Prepayment Penalty.** Mortgagor shall have the right to prepay the Note and any note(s) evidencing any Future Advances, if any, in whole or in part at any time. In the event Mortgagor prepays the Note or any note(s) evidencing any Future Advances, if any, in whole or in part, and any portion of the prepayment amount is borrowed funds, Mortgagee shall assess a prepayment penalty equal to ONE PERCENT (1%) of the principal balance outstanding on the Note and any note(s) evidencing any Future Advances, if any, at the time of the prepayment. Prepayments shall first be applied to the prepayment penalty, interest due, and then to the remaining principal.
5. **Event of Default; Remedy.** In the event that Mortgagor shall breach any obligation under this Mortgage, or any other mortgage(s) between Mortgagor and Mortgagee, or any obligation under the Note, any other note(s) between Mortgagor and Mortgagee, or in the event that Mortgagor shall:
 - (a) Receive notice that any violation of any Federal, State or local environmental, health or safety law or regulation may have been committed or is about to be committed by Mortgagor in connection with the Property;

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- (b) Receive notice that any administrative or judicial complaint or order has been filed or is about to be filed against Mortgagor alleging violations of any Federal, State or local environmental law or regulation or requiring Mortgagor to take any action in connection with the release of toxic or hazardous substances or release of petroleum or any petroleum product (including, without limitation, crude oil or any fraction thereof) into the environment in connection with the Property;
- (c) Receive any notice from a Federal, State or local governmental agency or private party alleging that the Mortgagor may be liable or responsible for costs associated with a response to or clean up of a release of toxic or hazardous substance or release of petroleum or any petroleum product (including, without limitation, crude oil or any fraction thereof) into the environment or any damages caused thereby in connection with the Property;
- (d) Receive any notice that Mortgagor is subject to Federal, State or local investigation evaluating whether any remedial action is needed to respond to the release of any hazardous or toxic waste, substance or constituent, petroleum, or petroleum products (including, without limitation, crude oil or any fraction thereof) or any other substance into the environment in connection with the Property;
- (e) Incur any additional debt without the prior written consent of Mortgagee;
- (f) Fail to maintain its affiliation with The Evangelical Covenant Church or its status as an organization exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code;
- (g) Commit fraud or material misrepresentation or material omission on its own account, or by or through any of its officers, directors, trustees, or any guarantor in connection with any one or more of the following:
 - (i) the application for or creation of the indebtedness secured by this Mortgage;
 - (ii) any financial information, attendance record or other report or information provided to Mortgagee prior to incurrence of or during the term of the indebtedness secured by this Mortgage; or
 - (iii) any request for Mortgagee's consent to any proposed action, including a request for disbursement of funds under any construction escrow or related agreement;

or in the event that:

- (a) Mortgagee shall reasonably deem itself insecure;
- (b) Any proceeding shall be instituted by or against Mortgagor under any bankruptcy or insolvency statute;
- (c) Mortgagor shall make an assignment for the benefit of creditors;
- (d) A receiver shall be appointed for Mortgagor or Mortgagor's property,

Mortgagee may, at its option, without notice or demand, require immediate payment in full of the unpaid principal balance outstanding, any accrued interest, the prepayment premium, if any, and all other amounts payable under the Note secured by this Mortgage, and any other note(s) from Mortgagor to Mortgagee, if any. Mortgagee may exercise this option to accelerate regardless of prior forbearance

6. Maintenance and Repair of Property. Mortgagor shall (1) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Property which may become damaged or destroyed; (2) keep said Property in good condition and repair, without waste, and free from mechanic's or other liens or claims for lien; and (3) comply with all requirements of law or municipal ordinances with respect to the Property and the use thereof.
7. Insurance. Mortgagor shall keep all buildings and improvements now or hereafter situated on said Property insured against loss or damage by fire, lightning and windstorm under policies providing for payment by the insurance companies of moneys sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, whichever is greater, all in companies satisfactory to Mortgagee under insurance policies payable, in case of loss or damage, to Mortgagee, such rights to be evidenced by the standard mortgage clause to be attached to each policy, and shall deliver certificates of insurance evidencing such coverage, to Mortgagee, and in case of insurance about to expire, shall deliver renewal certificates not less than ten (10) days prior to the respective dates of expiration.

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8. Payment of Costs and Expenses. Mortgagor agrees to pay reasonable attorneys' fees, costs and expenses incurred by Mortgagee in the collection and enforcement of the above referenced Note and any other note(s) between Mortgagor and Mortgagee, if any. Any forbearance by Mortgagee in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.
9. Periodic Interest Rate Adjustment. Notwithstanding anything else to the contrary contained hereinabove, the interest rate on the unpaid principal balance of the Note secured by this Mortgage shall, on January 1, 2020, and every 36 months thereafter, be adjusted by Mortgagee to the fixed rate interest rate then being charged by Mortgagee for new loans plus Three-Quarters of One Percent (0.75%) per annum (the "Periodic Interest Rate Adjustment"), or the highest rate then permitted by law, whichever is lower, and monthly payments shall be adjusted to the amount required to pay all principal remaining due and the interest thereon at the new rate of interest in equal monthly installments over the remaining term of the Note.
10. Security Agreement. As additional security for the obligations under the Mortgage, Note, and other Loan Documents, Mortgagor hereby grants, assigns, transfers, and pledges to Mortgagee, a security interest in and to the following described property:
- A. All equipment, fixtures, inventory (including all goods held for lease or demonstration, goods leased to others, and materials or supplies used or consumed by Mortgagor in Mortgagor's operations), documents relating to general intangibles, accounts, contract rights, chattel paper and instruments, now owned or hereafter acquired by Mortgagor, and all additions and accessions to, all spare and repair parts, special tools, equipment and replacements for, all goods the conveyance of which gave rise to, and all proceeds and products of the foregoing.
 - B. All fixtures, machinery, equipment and other articles of personal or mixed property, belonging to Mortgagor, at any time now or hereafter installed in, attached to or situated in or upon the Property, or the buildings and improvements now or hereafter erected thereon (the "**Improvements**"), or used or intended to be used in connection with the Property, or in the operation of the buildings and improvements, plant, business or dwelling situate thereon, whether or not such property or mixed property is or shall be affixed thereto, and all replacements, substitutions and proceeds of the foregoing (collectively, the "**Service Equipment**"), including without limitation: (i) all appliances, furniture and furnishings; all articles of other decoration, floor, wall and window coverings; all office, kitchen and other fixtures, utensils, appliances and equipment; all supplies, tools and accessories; all storm and screen windows, shutters, doors, decorations, awnings, shades, blinds, signs, trees, shrubbery and other plantings; (ii) all building service fixtures, machinery and equipment of any kind whatsoever; all lighting, heating, ventilating, air conditioning, refrigerating, sprinkling, plumbing, security, irrigating, cleaning, incinerating, waste disposal, communications, alarm, fire prevention and extinguishing systems, fixtures, apparatus, machinery and equipment; all elevators, escalators, lifts, cranes, hoists and platforms; all pipes, conduit, pumps, boilers, tanks, motors, engines, furnaces and compressors; all dynamos, transformers and generators; (iii) all building materials, building machinery and building equipment delivered on site to the Property during the course of, or in connection with any construction or repair or renovation of any of the improvements; (iv) all parts, fittings, accessories, substitutions and replacements therefor and thereof; and (v) all files, books, ledgers, reports and records relating to any of the foregoing.
 - C. All leases, subleases, tenancies, licenses, occupancy agreements or agreements to lease all or any portion of the Property, Improvements or Service Equipment and all extensions, renewals, amendments, modifications and replacements thereof, and any options, rights of first refusal or guarantees relating thereto (collectively, the "**Leases**"); all rents, income, receipts, revenues, security deposits, escrow accounts, reserves, issues, profits, awards and payments of any kind payable under the Leases or otherwise arising from the Property, Improvements or Service Equipment, including, without limitation, minimum rents, additional rents, percentage rents, parking, maintenance and deficiency rents, (collectively, the "**Rents**"); all of the following personal property (collectively, the "**Contracts**"): all accounts, general intangibles and contract rights (including any right to payment thereunder, whether or not earned by performance) or any nature relating to the Property, Improvement or Service Equipment, or the use, occupancy, maintenance, construction, repair or operation thereof; all management agreements, franchise agreements, utility agreements and deposits, building service contracts, maintenance contracts, construction contracts and architect's agreements; all maps, plans, surveys and specifications; all warranties and guaranties; all permits, licenses and approvals; and all insurance policies, books of account and other documents, of whatever kind or character, relating to the use, construction upon, occupancy, leasing, sale or operation of the Property, Improvements or Service Equipment; all reservations or sales contracts previously or hereafter entered into by Mortgagor with regard to the Property and any and all escrow deposits paid thereunder.
 - D. All awards or payments, including interest thereon; made pursuant to condemnation or eminent domain proceedings with respect to the Property;

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- E. All policies of property, hazard, rent loss, risk and all other types of insurance covering the Property and the items described in Paragraphs A through D, above, together with any and all extensions and replacements thereof, and any and all rights thereunder, and any and all rights of subrogation provided by this Mortgage.
- F. All proceeds of any of the items described in Paragraphs A through D, above, which shall include whatever is received upon the use, lease, sale, exchange, transfer, collection or other utilization or any disposition or conversion of any of the Property, Improvements or Service Equipment, Leases, Rents and Contracts, voluntary or involuntary, whether cash or non-cash, including proceeds of insurance and condemnation awards, rental or lease payments, accounts, chattel paper, instruments, documents, contract rights, general intangibles, equipment and inventory.
- G. Any and all other property of every kind and nature from time to time hereafter, by delivery or writing of any kind, conveyed, pledged, assigned or transferred as and for additional security hereunder by Mortgagor or anyone on Mortgagor's behalf.
11. Construction Mortgage. The within Mortgage secures an obligation incurred for the construction of an improvement on the land mortgaged herein, (including the acquisition cost of the land) and constitutes a "construction mortgage" within the meaning of Article 9 of the Uniform Commercial Code.
12. Waiver of Jury Trial. **MORTGAGOR AND MORTGAGEE EACH SEPARATELY AGREE NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THE NOTE SECURED BY THIS MORTGAGE OR THE RELATIONSHIP BETWEEN THE PARTIES AS MORTGAGOR AND MORTGAGEE THAT IS TRIABLE BY A JURY AND WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.**
13. Headings. The headings and captions of the sections of this Rider are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope, intent, or meaning of the provisions of this Rider.
14. Acceptance of Terms. The above terms which are incorporated into the Mortgage referenced above are agreed to and accepted by the Mortgagor.

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EXHIBIT A

PARCEL 1: LOTS 1 AND 2 (EXCEPTING THEREFROM THE SOUTH 1 FOOT OF LOT 2) IN BLOCK 6 IN BYRON A. BALDWIN'S SUBDIVISION IN THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2: EASEMENT FOR INGRESS AND EGRESS RESERVED IN DEED RECORDED AS DOCUMENT 0436533134 OVER ALL OF LOT 2 IN BLOCK 6, AFORESAID.

PARCEL 3: VACATED SCHUBERT AVENUE LOCATED NORTH OF AND ADJACENT TO LOT 1

Permanent Real Estate Index Number(s): 13-25-306-020-0000
13-25-306-068-0000

Property Address: 2649 North Francisco, Chicago, Illinois 60647

Property of Cook County Clerk's Office