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Illinois Anti-Predatory Lending Database Program



1603418066

Doc#: 1603418066 Fee: \$74.00
RHSP Fee:\$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 02/03/2016 02:52 PM Pg: 1 of 19

Certificate of Exemption

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN: 15-06-304-039-0000**

Address:

Street: 1138 RICHARD AVE

Street line 2:

City: BERKELEY

State: IL

ZIP Code: 60163

Lender: PAN AMERICAN BANK

Borrower: WHEELHOUSE INVESTMENTS, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY

Loan / Mortgage Amount: \$2,000,000.00

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: 605B960A-FDBF-4E0D-9DF6-E33E4CCB9800

Execution date: 12/23/2015

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**THIS DOCUMENT WAS PREPARED BY,
AND AFTER RECORDING, RETURN TO:**

PAN AMERICAN BANK
1440 West North Avenue
Melrose Park, Illinois 60160
Attention: Frank Calabrese, Vice President

This space for Recorder's use only.

MORTGAGE

This **MORTGAGE** (this "**Mortgage**") is dated as of December 23rd, 2015, and is executed by **WHEELHOUSE INVESTMENTS, LLC**, an Illinois limited liability company (the "**Mortgagor**"), to and for the benefit of **PAN AMERICAN BANK**, an Illinois banking corporation (together with its successors and assigns, the "**Lender**").

RECITALS:

A. Pursuant to the terms and conditions contained in that certain Loan and Security Agreement dated as of even date with this Mortgage, executed by and between the Mortgagor and the Lender (the "**Loan Agreement**"; any capitalized word or phrase not otherwise defined in this Mortgage has the meaning ascribed to such word or phrase in the Loan Agreement), the Lender has agreed to loan to the Mortgagor the principal amount of **TWO MILLION AND 00/100 DOLLARS** (\$2,000,000.00) (the "**Loan**"). The Loan will be evidenced by that certain Revolving Note of even date with this Mortgage (as amended, restated, or replaced from time to time, the "**Note**"), executed by the Mortgagor and made payable to the order of the Lender in the maximum principal amount of the Loan and due on February 28, 2016 (the "**Maturity Date**"), except as may be accelerated pursuant to the terms of this Mortgage, the Note, the Loan Agreement, or any other document or instrument now or hereafter given to evidence or secure the payment of the Note or

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delivered to induce the Lender to disburse the proceeds of the Loan (the Note and the Loan Agreement, together with such other documents, as amended, restated, or replaced from time to time, being collectively referred to herein as the "*Loan Documents*"). The Loan Agreement provides that the applicable rate at which interest accrues upon the outstanding principal balance thereof may increase or decrease from time to time.

B. A condition precedent to the Lender's extension and continuation of the Loan to the Mortgagor is the execution and delivery by the Mortgagor of this Mortgage.

NOW, THEREFORE, the Mortgagor, to secure the performance of all obligations contained in the Indebtedness (as hereinafter defined), and also in consideration of the sum of One Dollar (\$1.00) in hand paid, the receipt whereof is hereby acknowledged, does, by these presents, grant, remise, release, and convey unto the Lender, its successors and assigns, that certain real estate described on *Exhibit "A"* attached hereto (the "*Premises*").

This Mortgage also secures any and all renewals or extensions of the whole or any part of the Indebtedness however evidenced, with interest at such lawful rate as may be agreed upon, and any such renewals or extensions or any change in the terms of rate of interest will not impair in any manner the validity or priority of this Mortgage, nor release the Mortgagor from personal liability for the Indebtedness.

TOGETHER with all improvements thereon situate and which may hereafter be erected or placed thereon, and all and singular tenements, hereditaments and appurtenances and easements thereunto belonging and the rents, issues, and profits thereof, which are hereby expressly conveyed and assigned to the Lender as additional security and as an equal and primary fund with the property herein conveyed for the repayment (or other performance) of the Indebtedness, and any and all appurtenances, fixtures and equipment in or that may at any time be placed in any building now or hereafter standing on said Premises.

It is mutually covenanted and agreed, by and between the parties hereto that, in addition to all other things which at law or by convention are regarded as fixtures and specifically but not by way of limitation, all shades and awnings, screens and carpets, shrubbery, gas and electric fixtures, radiators, heaters, engines and machines, boilers, ranges, elevators and motors, bathtubs, sinks, water-closets, basins, pipes, faucets and other plumbing and heating fixtures, mirrors, mantels, refrigerating plants, iceboxes, electric refrigerators, air conditioning apparatus, cooking apparatus and appurtenances, and such other goods and chattels as may ever be furnished by a landlord in letting and operating an unfurnished building, similar to any building now or hereafter standing on said Premises, whether or not the same are or become attached to said building by nails, screws, bolts, pipe connections, masonry, or in any other manner whatsoever, which are now or hereafter to be used upon said described Premises, are conclusively deemed to be the "fixtures" and an accession to the freehold and a part of the realty, whether affixed or annexed or not, and conveyed by this Mortgage; and all the estate, right, title or interest of the said the Mortgagor in and to said Premises, property, improvements, furniture, apparatus, furnishings and fixtures are hereby expressly conveyed, assigned and pledged; and as to any of the property aforesaid, which does not so form a part and parcel of the real estate or does not constitute a "fixture" as such term is defined in the Uniform Commercial Code, this Mortgage is hereby deemed to be as well a Security Agreement under the Uniform Commercial Code for the purpose of creating hereby a security

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interest in such property, which the Mortgagor hereby grants to the Lender as Secured Party (as such term is defined in the Uniform Commercial Code).

TO HAVE AND TO HOLD the above described Premises with the appurtenances and fixtures thereto appertaining or belonging unto the Lender, its successors and assigns, forever, for the purposes herein set forth and for the security of the Indebtedness, and interest thereon and 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 the Mortgagor does hereby expressly release and waive.

In addition, the Mortgagor covenants with the Lender as follows:

1. CARE AND CONDITION OF PREMISES. The Mortgagor must (1) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Premises which may become damaged or destroyed; (2) keep said Premises in good condition and repair, without waste, and free from mechanics' or other liens, encumbrances or claims for lien which were not permitted by the Lender upon the providing of the Loan; (3) pay when due any indebtedness which may be secured by a lien or charge on the Premises, and upon request exhibit satisfactory evidence of the discharge of such prior lien to the Lender; (4) comply with all requirements of law or municipal ordinances with respect to the Premises and the use thereof; and (5) cause Borrower to perform all obligations of the Borrower under the terms of the Loan Agreement and not cause or permit a Default to occur or exist under the terms of the Loan Agreement.

2. PAYMENT OF INDEBTEDNESS, TAXES AND OTHER CHARGES. The Mortgagor must: (i) pay the principal and interest on the Indebtedness, and (ii) pay before any penalty attaches all general taxes, and must pay special taxes, special assessments, water charges, sewer service charges, and all other charges against the Premises when due, and must, upon written request furnish to the Lender duplicate receipts therefor. To prevent default hereunder the Mortgagor must pay in full under protest, in the manner provided by statute, any tax or assessment which the Mortgagor may desire to contest.

3. INSURANCE.

(a) The Mortgagor must at all times keep all buildings, improvements, fixtures, and articles of personal property now or hereafter situated on the Premises insured against loss or damage by fire and such other hazards as may reasonably be required by the Lender in accordance with the terms, coverages, and provisions described on *Exhibit "B"* attached to and made a part of this Mortgage, and such other insurance as the Lender may from time to time reasonably require. Unless the Mortgagor provides the Lender evidence of the insurance coverages required under this Mortgage, the Lender may purchase insurance at the Mortgagor's expense to cover the Lender's interest in the Premises. The insurance may, but need not, protect the Mortgagor's interest. The coverages that the Lender 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 Lender, but only after providing the Lender with evidence that the Mortgagor has obtained insurance as required by this Mortgage. If the Lender purchases insurance for the Premises, the Mortgagor will be responsible for the costs of such insurance, including, without limitation, interest and any other charges which the Lender may impose in connection with the placement of the insurance, until the effective date of the cancellation or

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expiration of the insurance. The costs of the insurance may be added to the Indebtedness. The cost of the insurance may be more than the cost of insurance the Mortgagor may be able to obtain on its own.

(b) The Mortgagor must not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained hereunder unless the Lender is included thereon as the loss payee or an additional insured as applicable, under a standard mortgage clause acceptable to the Lender and such separate insurance is otherwise acceptable to the Lender.

(c) In the event of loss, the Mortgagor must give prompt notice thereof to the Lender. The Lender will have the sole and absolute right to make proof of loss. The Lender solely and directly will receive such payment for loss from each insurance company concerned. The Lender will have the right, at its option and in its sole discretion, to apply any insurance proceeds received by the Lender pursuant to the terms of this **Section 3**, after the payment of all of the Lender's expenses, either (A) on account of the Indebtedness, irrespective of whether such principal balance is then due and payable, or (B) to the restoration or repair of the property damaged as provided in subsection (d) below. If insurance proceeds are made available to the Mortgagor by the Lender as hereinafter provided, the Mortgagor must repair, restore, or rebuild the damaged or destroyed portion of the Premises so that the condition and value of the Premises are substantially the same as the condition and value of the Premises prior to being damaged or destroyed. In the event of foreclosure of this Mortgage, all right, title, and interest of the Mortgagor in and to any insurance policies then in force will pass to the purchaser at the foreclosure sale.

(d) If insurance proceeds are made available by the Lender to the Mortgagor, the Mortgagor must comply with the following conditions:

(i) Before commencing to repair, restore, or rebuild following damage to, or destruction of, all or a portion of the Premises, whether by fire or other casualty, the Mortgagor must obtain from the Lender its approval of all site and building plans and specifications pertaining to such repair, restoration or rebuilding.

(ii) Prior to each payment or application of any insurance proceeds to the repair or restoration of the improvements upon the Premises to the extent permitted in subsection (c) above (which payment or application may be made, at the Lender's option, through an escrow, the terms and conditions of which are satisfactory to the Lender and the cost of which is to be borne by the Mortgagor), the Lender must be satisfied as to the following:

(A) no Event of Default or any event which, with the passage of time or giving of notice would constitute an Event of Default, has occurred;

(B) either such Improvements have been fully restored, or the expenditure of money as may be received from such insurance proceeds will be sufficient to repair, restore, or rebuild the Premises, free and clear of all liens, claims, and encumbrances, except the lien of this Mortgage and the Permitted Exceptions, or, if such insurance proceeds will be insufficient to repair, restore, and

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rebuild the Premises, the Mortgagor has deposited with the Lender such amount of money which, together with the insurance proceeds will be sufficient to restore, repair and rebuild the Premises; and

(C) prior to each disbursement of any such proceeds, the Lender must be furnished with a statement of the Lender's architect (the cost of which must be borne by the Mortgagor), certifying the extent of the repair and restoration completed to the date thereof, and that such repairs, restoration, and rebuilding have been performed to date in conformity with the plans and specifications approved by the Lender and with all statutes, regulations, or ordinances (including building and zoning ordinances) affecting the Premises; and the Lender must be furnished with appropriate evidence of payment for labor or materials furnished to the Premises, and total or partial lien waivers substantiating such payments.

(iii) If the Mortgagor fails to restore, repair, or rebuild the Improvements within a time deemed satisfactory by the Lender, then the Lender, at its option, may (A) commence and perform all necessary acts to restore, repair, or rebuild the said Improvements for or on behalf of the Mortgagor, or (B) declare an Event of Default. If insurance proceeds exceed the amount necessary to complete the repair, restoration, or rebuilding of the Improvements, such excess will be applied on account of the Indebtedness irrespective of whether such Indebtedness is then due and payable without payment of any premium or penalty.

4. PROTECTION OF SECURITY BY THE LENDER. In case of an Event of Default hereunder, the Lender may, but need not, make any reasonable payment or perform any reasonable act hereinbefore required of the 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 therefor, or redeem from any tax sale or forfeiture affecting said Premises or contest any tax or assessment. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including reasonable attorneys' fees, and any other monies by the Lender to protect the Premises and the lien hereof, will be so much additional Indebtedness and will become immediately due and payable without notice and with interest thereon at the Default Rate (as defined in the Loan Agreement). Inaction of the Lender will never be considered as a waiver of any right accruing to the Lender on account of any default hereunder on the part of the Mortgagor. The Lender 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.

5. RESTRICTIONS ON TRANSFER. The Mortgagor, without the prior written consent of the Lender, must not effect, suffer, or permit any Prohibited Transfer (as defined herein). Any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest, or other

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encumbrance or alienation (or any agreement to do any of the foregoing) of any of the following properties or interests constitutes a ***“Prohibited Transfer”***:

(a) the Premises or any part thereof or interest therein, excepting only sales or other dispositions of Collateral (as defined in the Loan Agreement) no longer useful in connection with the operation of the Premises (***“Obsolete Collateral”***), provided that prior to the sale or other disposition thereof, such Obsolete Collateral has been replaced by Collateral of at least equal value and utility which is subject to the lien hereof with the same priority as with respect to the Obsolete Collateral;

(b) any shares of capital stock of a corporate Mortgagor, a corporation which is a general partner in a partnership mortgagor or a managing member or manager in a limited liability company Mortgagor, or a corporation which is the owner of substantially all of the capital stock of any corporation described in this subsection (other than the shares of capital stock of a corporate trustee or a corporation whose stock is publicly traded on a national securities exchange or on the National Association of Securities Dealers’ Automated Quotation System);

(c) all or any part of the managing member or manager interest, as the case may be, in a limited liability company Mortgagor or a limited liability company which is a general partner of a partnership Mortgagor, a manager or managing member of a limited liability company Mortgagor, or the owner of substantially all of the capital stock of any corporate Mortgagor;

(d) all or any part of the general partner or joint venture interest, as the case may be, of a partnership Mortgagor or a partnership which is a manager or managing member of a limited liability company Mortgagor or is the owner of substantially all of the capital stock of any corporate Mortgagor, or the conversion of a partnership Mortgagor to a corporation or limited liability company; or

(e) if there is any change in control (by way of transfers of stock, partnership, or member interests or otherwise) in any partner, member, manager, or shareholder, as applicable, which directly or indirectly controls the day to day operations and management of the Mortgagor and/or owns a controlling interest in the Mortgagor;

in each case whether any such conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest, encumbrance, or alienation is effected directly, indirectly (including the nominee agreement), voluntarily or involuntarily, by operation of law or otherwise; provided, however, that the foregoing provisions of this **Section 5** will not apply (i) to liens securing the Indebtedness, (ii) to the lien of current taxes and assessments not in default, (iii) to any transfers of the Premises, or part thereof, or interest therein, or any beneficial interests, or shares of stock or partnership or joint venture interests, as the case may be, by or on behalf of an owner thereof who is deceased or declared judicially incompetent, to such owner’s heirs, legatees, devisees, executors, administrators, estate, or personal representatives, or (iv) to Leases permitted by the terms of the Loan Documents, if any.

6. DEFAULT AND ACCELERATION. The Mortgagor must pay each item of Indebtedness, including both principal and interest, when due according to the terms of the Note and the Loan Agreement, and the Mortgagor must perform each and every covenant and provision

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of this Mortgage. At the option of the Lender, upon such notice (if any) as required under the terms of the Loan Agreement, all unpaid Indebtedness will, notwithstanding anything in the Note or in this Mortgage to the contrary, become due and payable immediately in the case of any Event of Default. Upon the occurrence of any Event of Default, the Lender, at its option, will then have the unqualified right to accelerate the maturity of the Note, causing the full principal balance, accrued interest, and other charges, if any, to be immediately due and payable upon written notice to the Mortgagor.

7. FORECLOSURE. When the Indebtedness becomes due whether by acceleration or otherwise, and upon the non-payment of the Indebtedness by Borrower, the Lender will have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there will be allowed and included as additional Indebtedness in the judgment for sale all expenditures and expenses which may be reasonably paid or incurred by or on behalf of the Lender for attorneys' fees, special process server fees, the Lender's 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 judgment) of procuring all such abstracts of title, title searches and examination, guarantee policies and similar data and assurances with respect to title as the Lender 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 judgment the true condition of the title to or the value of the Premises. Without limiting the generality of the foregoing, all expenses incurred by the Lender to the extent reimbursable under the Illinois Mortgage Foreclosure Law (735 ILCS 5/15), as amended from time to time (the "*Illinois Mortgage Foreclosure Law*"), whether or not enumerated herein, will be added to the Indebtedness secured by this Mortgage, and included in such judgment of foreclosure. All expenditures and expenses in this *Section 7* mentioned will become so much additional Indebtedness secured hereby and immediately due and payable, with interest thereon at the Default Rate, when paid or incurred by the Lender in connection with (a) any proceeding, including probate and bankruptcy proceedings, to which the Mortgagor or the Lender is a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any Indebtedness hereby secured; (b) preparation 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 threatened suit or proceeding which might affect the Premises or the security hereof, whether or not actually commenced. In addition to the foregoing, in any such foreclosure proceeding, the Lender will be entitled to exercise any and all rights and remedies provided in the Illinois Mortgage Foreclosure Law, as amended from time to time, in such order as the Lender may lawfully elect.

8. APPLICATION OF PROCEEDS. The proceeds of any foreclosure sale of the Premises will be distributed and applied in the following order of priority: (a) first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof; (b) second, on account of all other items which under the terms hereof, constitute secured Indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; (c) third, on account of all principal and interest remaining unpaid on the Note; and (d) fourth, any excess proceeds to the Mortgagor, its successors or assigns, as their rights may appear.

9. RECEIVER. Upon, or at 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 Premises, the

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Lender will have the right to seek such receiver appointment. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of the Mortgagor at the time of application for such receiver and without regard to the then value of the Premises or whether the same is then occupied as a homestead or not during the pendency of such foreclosure suit. Such receiver will have all powers under Illinois law which may be necessary or are usual in such cases for the protection, possession, control, management, and operation of the Premises during the whole or any part of the pendency of such foreclosure suit and any period of redemption. Any amounts received by such receiver from such management and operation of the Premises will be applied as follows: (a) first, to the Indebtedness, or 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; and (b) second, to the deficiency in case of a sale and deficiency.

10. WAIVER OF RIGHTS. The Mortgagor hereby covenants and agrees that it will not at any time insist upon or plead, or in any manner claim or take any advantage of, any stay, exemption, or extension law or any so-called "Moratorium Law" now or at any time hereafter in force providing for the valuation or appraisal of the Premises, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provisions herein contained, or to any decree, judgment, or order of any court of competent jurisdiction; or, after such sale or sales, claim or exercise any rights under any statute now or hereafter in force to redeem the property so sold, or any part thereof, or relating to the marshalling thereof, upon foreclosure sale or other enforcement hereof; and without limiting the foregoing:

(a) the Mortgagor hereby expressly waives any and all rights of reinstatement and redemption, if any, under any order or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person, it being the intent hereof that any and all such rights of reinstatement and redemption of the Mortgagor and of all other persons are and will be deemed to be hereby waived to the full extent permitted by the provisions of Illinois Compiled Statutes 735 ILCS 5/15-1601 or other applicable law or replacement statutes;

(b) the Mortgagor will not invoke or utilize any such law or laws or otherwise hinder, delay, or impede the execution of any right, power, or remedy herein or otherwise granted or delegated to the Lender but will suffer and permit the execution of every such right, power, and remedy as though no such law or laws had been made or enacted; and

(c) if the Mortgagor is a trustee, the Mortgagor represents that the provisions of this **Section 10** (including the waiver of reinstatement and redemption rights) were made at the express direction of the Mortgagor's beneficiaries and the persons having the power of direction over the Mortgagor, and are made on behalf of the trust estate of the Mortgagor and all beneficiaries of the Mortgagor, as well as all other persons mentioned above.

11. INSPECTION. The Lender will have the right to inspect the Premises at all reasonable times (upon reasonable prior notice to the Mortgagor) and access must be permitted for that purpose.

12. EXAMINATION OF TITLE, LOCATION, ETC. The Lender has no duty to examine the title, location, existence, or condition of the Premises, nor will the Lender be obligated to record

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this Mortgage or to exercise any right herein given unless expressly obligated by the terms hereof, nor be liable for any acts or omissions hereunder, except in case of its own gross negligence or misconduct or that of the agents or employees of the Lender.

13. CONDEMNATION. If all or any part of the Premises is taken or damaged pursuant to an exercise, or threat of exercise, of the power of eminent domain, the entire proceeds of the award of compensation payable in respect of the part so taken or damaged are hereby assigned to and will be paid directly to the Lender. The proceeds of any award or compensation actually received by the Lender after deduction therefrom of all reasonable costs and expenses including reasonable attorney's fees incurred by the Lender in connection with the taking, at the Lender's option, will be applied without premium, in part or entirely to payment of the Indebtedness secured hereby or to restoration of the Premises, as provided in the Loan Agreement.

14. RELEASE. Upon full payment of the Indebtedness, the Lender will release this Mortgage and the lien thereof by proper instrument in accordance with the terms of the Loan Agreement.

15. NO EXCLUSIVE REMEDY. Each and every right, power, and remedy conferred upon or reserved to the Lender in this Mortgage is cumulative and is in addition to every other right, power, and remedy given in this Mortgage or in the other Loan Documents or now or hereafter existing at law or in equity. No delay or omission of the Lender in the exercise of any right, power, or remedy will be construed to be a waiver of any Default or any acquiescence therein. If any provisions of this Mortgage grants to the Lender any rights or remedies upon default of the Mortgagor which are more limited than the rights that would otherwise be vested in the Lender under the Illinois Mortgage Foreclosure Law, as amended, in the absence of said provision, the Lender will be vested with the rights granted in the Illinois Mortgage Foreclosure Law, as amended, to the full extent permitted thereby.

16. PROVISIONS SEVERABLE. In the event any one or more of the provisions of this Mortgage for any reason are held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provision of this Mortgage, but this Mortgage will be construed as if such invalid, illegal or unenforceable provisions had never been contained in this Mortgage. In the event that any provision in this Mortgage is inconsistent with any provision of the Illinois Mortgage Foreclosure Law, as amended, the provisions of the Illinois Mortgage Foreclosure Law, as amended, will take precedence over the provisions of this Mortgage, but will not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Illinois Mortgage Foreclosure Law, as amended.

17. INCORPORATION OF PROVISIONS OF LOAN AGREEMENT. This Mortgage is executed by the Mortgagor pursuant to the terms and provisions of the Loan Agreement. The terms and provisions of the Loan Agreement, including the definitions contained therein, are hereby incorporated herein by reference. In the event of a conflict between this Mortgage and the Loan Agreement, the terms of the Loan Agreement will prevail and govern.

18. NOTICES. Any notices, communications, and waivers under this Mortgage must be in writing and must be (a) delivered in person, (b) mailed, postage prepaid, either by registered or

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certified mail, return receipt requested, or (c) sent by overnight express carrier, addressed in each case as follows:

To the Lender: PAN AMERICAN BANK
1440 West North Avenue
Melrose Park, Illinois 60160
Attention: Frank Calabrese, Vice President

With a copy to: MUCH *SHELIST*
191 North Wacker Drive, Suite 1800
Chicago, Illinois 60606.1615
Attention: Steven L. DeGraff
Michael D. Burstein

To the Mortgagor: WHEELHOUSE INVESTMENTS, LLC
c/o Mack Industries, Ltd.
16800 Oak Park Avenue
Tinley Park, Illinois 60477
Attention: James H. McClelland

With copy to: PITTACORA & CROTTY, LLC
223 West Jackson Boulevard
Suite 620
Chicago, Illinois 60606
Attention: Bernard F. Crotty
James R. Pittacora

or to any other address as to any of the parties hereto, as such party designates in a written notice to the other party hereto. All notices sent pursuant to the terms of this **Section 18** will be deemed received when actually delivered or when delivery is refused by the addressee, as the case may be.

19. SUCCESSORS AND ASSIGNS. This Mortgage (a) runs with the land; (b) applies and extends to, is binding upon, and inures to the benefit of the Mortgagor, the Mortgagor's subsidiaries, affiliates, successors, and assigns and all persons claiming under or through the Mortgagor, and the word "Mortgagor" includes all such persons; and (c) applies and extends to, is binding upon, and inures to the benefit of the Lender and the Lender's successors and assigns. The word "Lender" includes the successors and assigns of the Lender, and the holder or holders, from time to time, of the Note and any other Indebtedness instruments.

20. GOVERNING LAW. This Mortgage has been negotiated, executed and delivered at Chicago, Illinois, and must be construed and enforced in accordance with the laws of the State of Illinois, without reference to the choice of law or conflicts of law principles of that State.

21. JURISDICTION; JURY TRIAL. THE MORTGAGOR HEREBY CONSENTS TO THE JURISDICTION OF ANY CIRCUIT COURT LOCATED WITHIN THE STATE OF ILLINOIS. THE MORTGAGOR WAIVES, AT THE OPTION OF THE LENDER, TRIAL BY JURY AND WAIVES ANY OBJECTION BASED ON IMPROPER VENUE OR

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FORUM NON CONVENIENS IN ANY ACTION OR PROCEEDING TO WHICH THE MORTGAGOR AND THE LENDER MAY BE PARTIES ARISING OUT OF, IN CONNECTION WITH, OR IN ANY WAY PERTAINING TO THIS AGREEMENT AND/OR ANY OTHER LOAN DOCUMENTS (AS DEFINED HEREIN). IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS AGREEMENT. THIS WAIVER IS KNOWINGLY, WILLINGLY, AND VOLUNTARILY MADE BY THE MORTGAGOR, AND THE MORTGAGOR HEREBY REPRESENTS THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO, IN ANY WAY, MODIFY OR NULLIFY ITS EFFECT. THE MORTGAGOR FURTHER REPRESENTS AND WARRANTS THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS MORTGAGE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

22. **DEFINITION OF INDEBTEDNESS.** "*Indebtedness*" means: (i) all obligations of the Mortgagor to the Lender for payment of any and all amounts due under the Note; (ii) all obligations of the Mortgagor to the Lender for payment of any and all amounts due under this Mortgage; (iii) all obligations the Mortgagor in favor of the Lender which are set forth in Loan Agreement or other Loan Documents; and (iv) any and all other indebtedness now or at any time due and owing from the Mortgagor to the Lender, howsoever and whenever arising or created. "*Indebtedness*" also includes all amounts so described herein and all costs of collection, legal expenses and in-house or reasonable outside attorneys' fees incurred or paid by the Lender in attempting the collection or enforcement of the Note or this Mortgage, or any extension or modification of this Mortgage or in any legal proceeding occurring by reason of the Lender's being the mortgagee under this Mortgage or any extension or modification thereof or holder of the Note or any extension or modification thereof, including but not limited to any declaratory judgment action, or in the repossession, custody, sale, lease, assembly or other disposition, of any collateral for the Note.

23. **EVENTS OF DEFAULT.** Each of the following constitutes an "*Event of Default*" for purposes of this Mortgage:

- (a) the occurrence of an Event of Default under the Note, the Loan Agreement, or any of the other Loan Documents;
- (b) the Mortgagor fails to perform or cause to be performed any other obligation or observe any other condition, covenant, term, agreement, or provision required to be performed or observed by the Mortgagor under this Mortgage or any of the other Loan Documents to which it is a party; *provided, however*, that if such failure by its nature can be cured, then so long as the continued operation and safety of the Premises, and the priority, validity, and enforceability of the liens created by this Mortgage or any of the other Loan Documents and the value of the Premises are not impaired, threatened or jeopardized, then the Mortgagor will have a period (the "*Cure Period*") of thirty (30) days after the Mortgagor obtains actual knowledge of such failure or

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receives written notice of such failure to cure the same and an Event of Default will not be deemed to exist during the Cure Period, provided further that if the Mortgagor commences to cure such failure during the Cure Period and is diligently and in good faith attempting to effect such cure, the Cure Period will be extended for thirty (30) additional days, but in no event will the Cure Period be longer than sixty (60) days in the aggregate; or

- (c) the occurrence of a Prohibited Transfer.

24. REVOLVING LOAN. This Mortgage is given to secure a revolving credit loan and secures not only presently existing indebtedness under the Note and the other Loan Documents, but also future advances, whether such advances are obligatory or to be made at the option of the Lender, or otherwise, as are made within twenty (20) years from the date hereof to the same extent as if such future advances were made on the date of the execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage and although there may be no Indebtedness outstanding at the time any advance is made. The lien of this Mortgage will be valid as to all Indebtedness, including future advances, from the time of its filing for record in the office of the Recorder of Deeds of the county in which the real estate is located. This Mortgage secures, among other Indebtedness, a "revolving credit" arrangement within the meaning of 815 ILCS 205/4.1 and 205 ILCS 5/5d. The total amount of Indebtedness may increase or decrease from time to time, as provided in the Loan Agreement, and any disbursements which the Lender may make under this Mortgage, the Note, the Loan Agreement, or any other document with respect hereto (e.g., for payment of taxes, insurance premiums or other advances to protect the Lender's liens and security interests, as permitted hereby) will be additional Indebtedness secured hereby. This Mortgage is intended to and will be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the real estate, to the extent of the maximum amount secured hereby.

25. REMEDIES AGAINST OTHER COLLATERAL. The Mortgagor hereby acknowledges that certain Loan Documents other than this Mortgage may create liens on collateral located in counties or states other than the counties and state in which the Premises are located. The Mortgagor further acknowledges that this Mortgage and the other Loan Documents are cross-defaulted and the Loan secured hereby is also secured by the other Loan Documents. The Mortgagor agrees that the Lender may proceed, at the same or at different times, to foreclose any or all liens against such collateral (or sell such collateral under power of sale) by any proceedings appropriate in the county and state where such collateral lies, and that no event of enforcement taking place in any county or state pursuant to any of the Loan Documents will preclude or bar enforcement in any other county or state. Any foreclosure or other appropriate remedy brought in any county or state in which collateral is located may be brought and prosecuted as to any part of such collateral without regard to the fact that foreclosure proceedings or other appropriate remedies have or have not been instituted elsewhere on any other part of the collateral for the Loan.

26. MISCELLANEOUS. The captions in this Mortgage are for convenience only and do not define or limit the provisions of this Mortgage. All changes to this Mortgage must be in writing signed by the Lender and the Mortgagor and, if this Mortgage is recorded, will not be effective until being recorded. Wherever used, the singular number includes the plural, the plural, the singular, and use of any gender is applicable to all genders.

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27. **MAXIMUM INDEBTEDNESS.** Notwithstanding anything contained herein to the contrary, in no event will the Indebtedness exceed an amount equal to **FOUR MILLION AND 00/100 DOLLARS** (\$4,000,000.00); provided, however, in no event will the Lender be obligated to advance funds in excess of the face amount of the Note.

[Remainder of Page Intentionally Left Blank—Signature Page Follows]

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

WHEELHOUSE INVESTMENTS, LLC, an Illinois limited liability company

By: *James H. McClelland*
James H. McClelland, its sole Manager

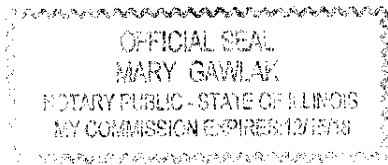
STATE OF Illinois)
) SS.
COUNTY OF Dupage)

The undersigned, a Notary Public in and for the said County, in the State aforesaid, **DOES HEREBY CERTIFY** that **WHEELHOUSE INVESTMENTS, LLC**, an Illinois limited liability company, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Manager, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 23rd day of December, 2015.

[SEAL]

Mary Gawlak
Notary Public

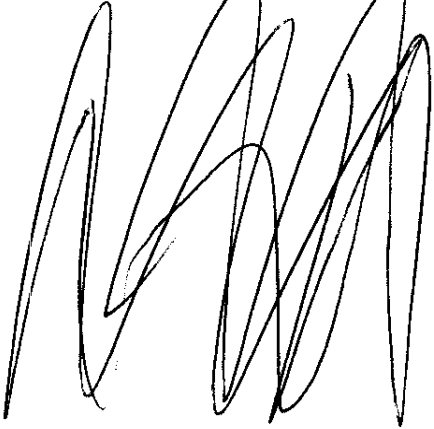


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EXHIBIT "A"

LEGAL DESCRIPTION OF REAL ESTATE

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EXHIBIT "B"

INSURANCE REQUIREMENTS

GENERAL INFORMATION

1. All insurance policies referred to herein must be in form and substance acceptable to the Lender.
2. The Lender must receive evidence/certificates of insurance at least ten (10) Business Days (as defined in the Note) prior to closing. Original policies must be provided to the Lender as soon as they are available from insurers. Certified copies should be available within sixty (60) to ninety (90) days.
3. Proof of coverage must be on an ACORD 28 - EVIDENCE OF PROPERTY INSURANCE form. Liability insurance must be written on ACORD 25 or its equivalent. NOTE: Please remove any "endeavor to" and "but failure to mail such notice shall impose representatives" language as it relates to notices. Initials by an authorized representative should appear next to any deletions on the certificates.
4. All property policies must contain a standard mortgage clause in favor of the Lender and must provide for a thirty (30) day written notice to the Lender of any material change or cancellation. Certificates with disclaimers will NOT be accepted.
5. The Mortgagor must be the named insured.
6. Property & Builders Risk certificates must show the Lender as First Mortgagee and Lender's Loss Payee as follows:

 PAN AMERICAN BANK
 1440 West North Avenue
 Melrose Park, Illinois 60160
 Attention: Frank Calabrese, Vice President

 (The Lender may be shown as "Mortgagee and Lender's Loss Payee As Their Interests May Appear" until the insurance agent receives release of interest from the prior lender. At that time, the insurance policies will need to be endorsed to show the Lender as First Mortgagee and Lender's Loss Payee).
7. The insured property must be identified as _____.
8. All insurance companies must have a Policy Rating of "A" and a Financial Rating of "VIII" from AM Best's Rating Guide.
9. The insurance documentation must be signed by an authorized representative of the Insurer.

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SPECIFIC REQUIREMENTS

1. If the property policy is a blanket policy or limit, the Lender must receive a schedule of the amount allocated to the property/rents or the amounts allocated to the property must be indicated on the certificate.
2. Coverage must be on an "all risk" (Special Perils), 100% replacement cost basis without deduction for foundations and footings, and WITHOUT co-insurance. The co-insurance must be waived or an Agreed Amount endorsement must be included and either "No Co-insurance" or "Agreed Amount" must be provided and indicated on the certificate.
3. Ordinance or Law coverage providing for demolition and increased cost of construction must be provided and indicated on the certificate.
4. Other coverages such as earthquake, boiler and machinery (which includes the mechanics of the building such as elevators), and flood will be required when these risks are present.
5. The Lender must be named as an Additional Insured for all general liability coverage, with a minimum limit of \$1,000,000 for any one occurrence.

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EXHIBIT "A"

**LOT 18 IN BLOCK 13 IN H.O. STONE AND COMPANY'S BER-ELM ADDITION, A
SUBDIVISION OF PART OF THE SOUTH WEST 1/4 OF SECTION 6, TOWNSHIP 39
NORTH, RANGE 12, AND PART OF THE NORTH WEST 1/4 OF SECTION 7, TOWNSHIP
39 NORTH, RANGE 12, IN COOK COUNTY, ILLINOIS.**

1138 Richard Ave, Berkeley, IL 60163
15-06-304-039

LOT 11 IN BOEGER'S FIRST ADDITION TO HILLSIDE, A SUBDIVISION OF PART OF
THE WEST ½ OF THE WEST ½ OF THE SOUTH EAST ¼ OF SECTION 17, TOWNSHIP 39
NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY,
ILLINOIS.

217 Orchard, Hillside, IL 60162
15-17-407-011-0000

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