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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption

Freedom Title Corporation
2200 Hicks Road
Suite 410
Rolling Meadows, IL 60008

CF715982

2/5

Report Mortgage Fraud
800-532-8785



1606049248

Doc#: 1606049248 Fee: \$86.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 02/29/2016 02:39 PM Pg: 1 of 25

The property identified as: **PIN: 17-09-216-019-1001**

Address:

Street: 217 and 233 West Huron Street, Units 1 and 2A

Street line 2:

City: Chicago

State: IL

ZIP Code: 60654

Lender: JEFFERIES LOANCORE LLC

Borrower: RIVER NORTH RETAIL HOLDING, LLC

Loan / Mortgage Amount: \$4,720,000.00

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: CFB752B4-F0BA-4685-A0D1-14334B0D2A9B

Execution date: 2/23/2016

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RIVER NORTH RETAIL HOLDING, LLC
(Mortgagor)

to

JEFFERIES LOANCORE LLC
(Mortgagee)

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

Dated: As of February 23, 2016

Property Location: Huron Street Commercial Condominium
Units 1 and 2A
217 and 233 West Huron Street
Chicago, Cook County, Illinois 60654

DOCUMENT PREPARED BY AND WHEN RECORDED, RETURN TO:

Gussis Lichtenfeld & Alexander LLC
6200 N. Hiawatha, Suite 400
Chicago, IL 60646
Attention: Samuel P. Gussis, Esq.

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MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT (this "*Mortgage*"), made as of February 23, 2016, by **RIVER NORTH RETAIL HOLDING, LLC**, a Delaware limited liability company, having an office at c/o The Lord Companies, LLC, 1030 North Clark Street, Suite 300, Chicago, Illinois 60610 ("*Mortgagor*"), to **JEFFERIES LOANCORE LLC**, a Delaware limited liability company (together with its successors and assigns, hereinafter referred to as "*Mortgagee*"), having an address c/o LoanCore Capital, 55 Railroad Avenue, Suite 100, Greenwich, Connecticut 06830.

Mortgagor and Mortgagee have entered into a Loan Agreement dated as of the date hereof (as amended, modified, restated, consolidated or supplemented from time to time, the "*Loan Agreement*") pursuant to which Mortgagee is making a secured loan to Mortgagor in the aggregate original principal amount of Four Million Seven Hundred Twenty Thousand and No/100 Dollars (\$4,720,000.00) (the "*Loan*"), which matures on April 6, 2026, and which shall accrue interest (i) at a rate of interest equal to 5.30% per annum or (ii) when applicable pursuant to the Loan Agreement or any other Loan Document, at the Default Rate (as defined in the Loan Agreement). Capitalized terms used herein without definition will have the same meanings as defined in the Loan Agreement. The Loan is evidenced by that certain Promissory Note dated the date hereof made by Mortgagor to Mortgagee in such principal amount (as the same may be amended, modified, restated, severed, consolidated, renewed, replaced, or supplemented from time to time, the "*Note*").

To secure the payment of the Note and all sums which may or shall become due thereunder or under any of the other documents evidencing, securing or executed in connection with the Loan (the Note, this Mortgage, the Loan Agreement and such other documents, as any of the same may, from time to time, be modified, amended or supplemented, being hereinafter collectively referred to as the "*Loan Documents*"), including (i) the payment of interest and other amounts which would accrue and become due but for the filing of a petition in bankruptcy (whether or not a claim is allowed against Mortgagor for such interest or other amounts in any such bankruptcy proceeding) or the operation of the automatic stay under Section 362(a) of Title 11 of the United States Code (the "*Bankruptcy Code*"), and (ii) the costs and expenses of enforcing any provision of any Loan Document (all such sums being hereinafter collectively referred to as the "*Debt*"), Mortgagor hereby irrevocably mortgages, grants, bargains, sells, conveys, transfers, pledges, sets over, remises, releases, aliens and assigns, and grants a security interest, to and in favor of Mortgagee, all of Mortgagor's right, title and interest in and to the land described in Exhibit A (the "*Premises*"), and the buildings, structures, fixtures and other improvements now or hereafter located thereon (the "*Improvements*");

TOGETHER WITH: all right, title, interest and estate of Mortgagor now owned, or hereafter acquired, in and to the following property, rights, interests and estates (the Premises, the Improvements, and the property, rights, interests and estates hereinafter described are collectively referred to herein as the "*Mortgaged Property*"), which Mortgaged Property has been subjected to condominium ownership pursuant to that certain Declaration of Condominium Ownership and of Easements, Restrictions, Covenants and By-Laws for Huron Street Commercial Condominium, dated as of August 7, 2006, and recorded on August 30, 2006, in the Official Records of Cook County, Illinois, as document number 0624245139 (the "*Condominium Declaration*"), as amended by that certain First Amendment to Declaration of Condominium Ownership and of Easements, Restrictions, Covenants and By-Laws for Huron Street Commercial

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Condominium, dated January 19, 2007, and recorded on February 27, 2007, in the Official Records of Cook County, Illinois, as document number 0705815046, and as further amended by that certain Commercial Unit Division Supplement of Unit 2 of the Huron Street Commercial Condominium, dated January 30, 2008, and recorded on February 25, 2008, in the Official Records of Cook County, Illinois, as document number 0805615036 (collectively, as amended and as they may be further amended from time to time, the "*Condominium Documents*"; which Condominium Documents expressly include those certain By-Laws of Huron Street Commercial Condominium Association (the "*Bylaws*"), which are included as Articles V, VI and VII of the Condominium Declaration):

(a) all easements, rights-of-way, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, rights to oil, gas, minerals, coal and other substances of any kind or character, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances of any nature whatsoever, in any way belonging, relating or pertaining to the Premises and the Improvements; the reversion and reversions, remainder and remainders, and all land lying in the bed of any street, road, highway, alley or avenue, opened, vacated or proposed, in front of or adjoining the Premises, to the center line thereof; and all the estates, rights, titles, interests, dower and rights of dower, curtesy and rights of curtesy, property, possession, claim and demand whatsoever, both at law and in equity, of Mortgagor of, in and to the Premises and the Improvements and every part and parcel thereof, with the appurtenances thereto;

(b) all machinery, furniture, furnishings, equipment, computer software and hardware, fixtures (including all heating, air conditioning, plumbing, lighting, communications and elevator fixtures), inventory, materials, supplies and other articles of personal property and accessions thereof, renewals and replacements thereof and substitutions therefor, and other property of every kind and nature, tangible or intangible, owned by Mortgagor, or in which Mortgagor has or shall have an interest, now or hereafter located upon the Premises or the Improvements, or appurtenant thereto, and usable in connection with the present or future operation and occupancy of the Premises and the Improvements (hereinafter collectively referred to as the "*Equipment*"), including any leases of, deposits in connection with, and proceeds of any sale or transfer of any of the foregoing, and the right, title and interest of Mortgagor in and to any of the Equipment that may be subject to any "security interest" as defined in the Uniform Commercial Code, as in effect in the State where the Mortgaged Property is located (the "*UCC*"), superior in lien to the lien of this Mortgage;

(c) all awards or payments, including interest thereon, that may heretofore or hereafter be made with respect to the Premises or the Improvements, whether from the exercise of the right of eminent domain or condemnation (including any transfer made in lieu of or in anticipation of the exercise of such right), or for a change of grade, or for any other injury to or decrease in the value of the Premises or Improvements;

(d) all leases, subleases and other agreements or arrangements heretofore or hereafter entered into affecting the use, enjoyment or occupancy of, or the conduct of any activity upon or in, the Premises or the Improvements, including any extensions, renewals, modifications or amendments thereof (hereinafter collectively referred to as the "*Leases*") and all rents, rent equivalents, moneys payable as damages (including payments by reason of the rejection of a Lease

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in a Bankruptcy Proceeding or in lieu of rent or rent equivalents), royalties (including all oil and gas or other mineral royalties and bonuses), income, fees, receivables, receipts, revenues, deposits (including security, utility and other deposits), accounts, cash, issues, profits, charges for services rendered, and other consideration of whatever form or nature received by or paid to or for the account of or benefit of Mortgagor or its agents or employees from any and all sources arising from or attributable to the Premises and the Improvements, including all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of the sale, lease, sublease, license, concession or other grant of the right of the use and occupancy of the Premises or the Improvements, or rendering of services by Mortgagor or any of its agents or employees, and proceeds, if any, from business interruption or other loss of income insurance (hereinafter collectively referred to as the "**Rents**"), together with all proceeds from the sale or other disposition of the Leases and the right to receive and apply the Rents to the payment of the Debt;

(e) all proceeds of and any unearned premiums on any insurance policies covering the Mortgaged Property, including, without limitation, the right to receive and apply the proceeds of any insurance judgments, or settlements made in lieu thereof, for damage to the Mortgaged Property;

(f) the right, in the name and on behalf of Mortgagor, to appear in and defend any action or proceeding brought with respect to the Mortgaged Property and to commence any action or proceeding to protect the interest of Mortgagee in the Mortgaged Property;

(g) all accounts (including reserve accounts), escrows, documents, instruments, chattel paper, claims, deposits and general intangibles, as the foregoing terms are defined in the UCC, and all franchises, trade names, trademarks, symbols, service marks, books, records, plans, specifications, designs, drawings, surveys, title insurance policies, permits, consents, licenses, management agreements, contract rights (including any contract with any architect or engineer or with any other provider of goods or services for or in connection with any construction, repair or other work upon the Mortgaged Property), approvals, actions, refunds of real estate taxes and assessments (and any other governmental impositions related to the Mortgaged Property) and causes of action that now or hereafter relate to, are derived from or are used in connection with the Mortgaged Property, or the use, operation, maintenance, occupancy or enjoyment thereof or the conduct of any business or activities thereon (hereinafter collectively referred to as the "**Intangibles**");

(h) all rights of Mortgagor under the Condominium Documents; and

(i) all proceeds, products, offspring, rents and profits from any of the foregoing, including those from sale, exchange, transfer, collection, loss, damage, disposition, substitution or replacement of any of the foregoing.

Without limiting the generality of any of the foregoing, in the event that a case under the Bankruptcy Code is commenced by or against Mortgagor, pursuant to Section 552(b)(2) of the Bankruptcy Code, the security interest granted by this Mortgage shall automatically extend to all Rents acquired by the Mortgagor after the commencement of the case and shall constitute cash collateral under Section 363(a) of the Bankruptcy Code.

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TO HAVE AND TO HOLD the Mortgaged Property unto Mortgagee and its successors and assigns, forever;

PROVIDED, HOWEVER, these presents are upon the express condition that, if Mortgagor shall well and truly pay to Mortgagee the Debt at the time and in the manner provided in the Loan Documents and shall well and truly abide by and comply with each and every covenant and condition set forth in the Loan Documents in a timely manner, these presents and the estate hereby granted shall cease, terminate and be void;

AND Mortgagor represents and warrants to and covenants and agrees with Mortgagee as follows:

PART I - GENERAL PROVISIONS

1. Payment of Debt and Incorporation of Covenants, Conditions and Agreements. Mortgagor shall pay the Debt at the time and in the manner provided in the Loan Documents. All the covenants, conditions and agreements contained in the Loan Documents are hereby made a part of this Mortgage to the same extent and with the same force as if fully set forth herein. Without limiting the generality of the foregoing, Mortgagor (i) agrees to insure, repair, maintain and restore damage to the Mortgaged Property, pay Taxes and Other Charges, and comply with Legal Requirements, in accordance with the Loan Agreement, and (ii) agrees that the Proceeds of Insurance and Awards for Condemnation shall be settled, held and applied in accordance with the Loan Agreement.

2. Leases and Rents.

(a) Mortgagor does hereby absolutely and unconditionally assign to Mortgagee all of Mortgagor's right, title and interest in all current and future Leases and Rents, it being intended by Mortgagor that this assignment constitutes a present, absolute assignment, and not an assignment for additional security only. Such assignment shall not be construed to bind Mortgagee to the performance of any of the covenants or provisions contained in any Lease or otherwise impose any obligation upon Mortgagee. Nevertheless, subject to the terms of this paragraph, Mortgagee grants to Mortgagor a revocable license to operate and manage the Mortgaged Property and to collect the Rents subject to the requirements of the Loan Agreement (including the deposit of Rents into the Clearing Account). Upon an Event of Default, without the need for notice or demand, the license granted to Mortgagor herein shall automatically be revoked, and Mortgagee shall immediately be entitled to possession of all Rents in the Clearing Account, the Deposit Account (including all Subaccounts thereof) and all Rents collected thereafter (including Rents past due and unpaid), whether or not Mortgagee enters upon or takes control of the Mortgaged Property. Mortgagor hereby grants and assigns to Mortgagee the right, at its option, upon revocation of the license granted herein, to enter upon the Mortgaged Property in person, by agent or by court-appointed receiver to collect the Rents. Any Rents collected after the revocation of such license may be applied toward payment of the Debt in such priority and proportions as Mortgagee in its sole discretion shall deem proper.

(b) Mortgagor shall not enter into, modify, amend, cancel, terminate or renew any Lease except as provided in Section 5.10 of the Loan Agreement.

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3. **Use of Mortgaged Property.** Mortgagor shall not initiate, join in, acquiesce in or consent to any change in any private restrictive covenant, zoning law or other public or private restriction, limiting or defining the uses which may be made of the Mortgaged Property without Lender's prior written consent, which consent will not be unreasonably withheld, conditioned or delayed. If under applicable zoning provisions the use of the Mortgaged Property is or shall become a nonconforming use, Mortgagor shall not cause or permit such nonconforming use to be discontinued or abandoned without the consent of Mortgagee. Mortgagor shall not (i) change the use of the Mortgaged Property or (ii) permit or suffer to occur any waste on or to the Mortgaged Property.

4. **Transfer or Encumbrance of the Mortgaged Property.**

(a) Mortgagor acknowledges that (i) Mortgagee has examined and relied on the creditworthiness and experience of the principals of Mortgagor in owning and operating properties such as the Mortgaged Property in agreeing to make the Loan, (ii) Mortgagee will continue to rely on Mortgagor's ownership of the Mortgaged Property as a means of maintaining the value of the Mortgaged Property as security for the Debt, and (iii) Mortgagee has a valid interest in maintaining the value of the Mortgaged Property so as to ensure that, should Mortgagor default in the repayment of the Debt, Mortgagee can recover the Debt by a sale of the Mortgaged Property. Mortgagor shall not sell, convey, alienate, mortgage, encumber, pledge or otherwise transfer the Mortgaged Property or any part thereof, or suffer or permit any Transfer to occur, other than a Permitted Transfer.

(b) Mortgagee shall not be required to demonstrate any actual impairment of its security or any increased risk of default hereunder in order to declare the Debt immediately due and payable upon a Transfer in violation of this Paragraph 4. This provision shall apply to every sale, conveyance, alienation, mortgage, encumbrance, pledge or transfer of the Mortgaged Property (and every other Transfer) regardless of whether voluntary or not. Any Transfer made in contravention of this Paragraph 4 shall be null and void and of no force and effect. Mortgagor agrees to bear and shall pay or reimburse Mortgagee on demand for all reasonable expenses (including reasonable attorneys' fees and disbursements, title search costs and title insurance endorsement premiums) incurred by Mortgagee in connection with the review, approval and documentation of any Permitted Transfer.

5. **Changes in Laws Regarding Taxation.** If any law is enacted or adopted or amended after the date of this Mortgage which deducts the Debt from the value of the Mortgaged Property for the purpose of taxation or which imposes a tax, either directly or indirectly, on the Debt or Mortgagee's interest in the Mortgaged Property, Mortgagor will pay such tax, with interest and penalties thereon, if any. If Mortgagee is advised by its counsel that the payment of such tax or interest and penalties by Mortgagor would be unlawful, taxable to Mortgagee or unenforceable, or would provide the basis for a defense of usury, then Mortgagee shall have the option, by written notice to Mortgagor of not less than 90 days, to declare the Debt immediately due and payable.

6. **No Credits on Account of the Debt.** Mortgagor shall not claim or demand or be entitled to any credit on account of the Debt for any part of the Taxes or Other Charges assessed against the Mortgaged Property, and no deduction shall otherwise be made or claimed from the assessed value of the Mortgaged Property for real estate tax purposes by reason of this

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Mortgage or the Debt. If such claim, credit or deduction shall be required by law, Mortgagee shall have the option, by written notice to Mortgagor of not less than 90 days, to declare the Debt immediately due and payable.

7. **Further Acts, Etc.** Mortgagor shall, at its sole cost, perform, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as Mortgagee shall, from time to time, reasonably require, for the better assuring, conveying, assigning, transferring, and confirming unto Mortgagee the property and rights hereby mortgaged, given, granted, bargained, sold, alienated, enfeoffed, conveyed, confirmed, pledged, assigned and hypothecated or intended now or hereafter so to be, or which Mortgagor may be or may hereafter become bound to convey or assign to Mortgagee, or for carrying out the intention or facilitating the performance of the terms of this Mortgage, or for filing, registering or recording this Mortgage or for facilitating the sale and transfer of the Loan (or any portion thereof) and the Loan Documents in connection with a "Secondary Market Transaction" as described in Section 9.1 of the Loan Agreement. Upon foreclosure, the appointment of a receiver or any other relevant action, Mortgagor shall, at its sole cost, cooperate fully and completely to effect the assignment or transfer of any license, permit, agreement or any other right necessary or useful to the operation of the Mortgaged Property. Mortgagor grants to Mortgagee an irrevocable power of attorney coupled with an interest for the purpose of exercising and perfecting any and all rights and remedies available to Mortgagee at law and in equity, including such rights and remedies available to Mortgagee pursuant to this paragraph. Notwithstanding anything to the contrary in the immediately preceding sentence, Mortgagee shall not execute any document as attorney-in-fact of Mortgagor unless (x) Mortgagor shall have failed or refused to execute the same within five (5) Business Days after Mortgagee's request therefor, or (y) in Mortgagee's good faith determination it would be materially prejudiced by the delay involved in making such a request. Mortgagee shall give prompt written notice to Mortgagor of any exercise of the power of attorney as provided for in this Paragraph 7, along with copies of all documents executed in connection therewith.

8. **Recording of Mortgage, Etc.** Mortgagor forthwith upon the execution and delivery of this Mortgage and thereafter, from time to time, shall cause this Mortgage, and any security instrument creating a lien or security interest or evidencing the lien hereof upon the Mortgaged Property, and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien or security interest hereof upon, and the interest of Mortgagee in, the Mortgaged Property. Mortgagor shall pay all filing, registration or recording fees, all expenses incident to the preparation, execution and acknowledgment of and all federal, state, county and municipal, taxes, duties, imposts, documentary stamps, assessments and charges arising out of or in connection with the execution and delivery of, this Mortgage, any Mortgage supplemental hereto, any security instrument with respect to the Mortgaged Property or any instrument of further assurance, except where prohibited by law so to do. Mortgagor shall hold harmless and indemnify Mortgagee, its successors and assigns, against any liability incurred by reason of the imposition of any tax on the making or recording of this Mortgage.

9. **Right to Cure Defaults.** Upon the occurrence of any Event of Default, Mortgagee may, but without any obligation to do so and without notice to or demand on Mortgagor and without releasing Mortgagor from any obligation hereunder, perform the obligations in Default

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in such manner and to such extent as Mortgagee may deem necessary to protect the security hereof. Mortgagee is authorized to enter upon the Mortgaged Property for such purposes or appear in, defend or bring any action or proceeding to protect its interest in the Mortgaged Property or to foreclose this Mortgage or collect the Debt, and the cost and expense thereof (including reasonable attorneys' fees and disbursements to the extent permitted by law), with interest thereon at the Default Rate for the period after written notice to Mortgagor from Mortgagee that such cost or expense was incurred to the date of payment to Mortgagee, shall constitute a portion of the Debt, shall be secured by this Mortgage and the other Loan Documents and shall be due and payable to Mortgagee upon demand.

10. Remedies.

(a) Upon the occurrence of any Event of Default, Mortgagee may take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Mortgagor and in and to the Mortgaged Property, by Mortgagee itself or otherwise, including the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as Mortgagee may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Mortgagee:

- (i) declare the entire Debt to be immediately due and payable;
- (ii) institute a proceeding or proceedings, judicial or nonjudicial, to the extent permitted by law, by advertisement or otherwise, for the complete foreclosure of this Mortgage, in which case the Mortgaged Property may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner;
- (iii) with or without entry, to the extent permitted and pursuant to the procedures provided by applicable law, institute proceedings for the partial foreclosure of this Mortgage for the portion of the Debt then due and payable, subject to the continuing lien of this Mortgage for the balance of the Debt not then due;
- (iv) sell for cash or upon credit the Mortgaged Property and all estate, claim, demand, right, title and interest of Mortgagor therein and rights of redemption thereof, at one or more sales, as an entirety or in parcels, at such time and place, upon such terms and after such notice thereof as may be required or permitted by law;
- (v) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein or in any other Loan Document;
- (vi) recover judgment on the Note either before, during or after any proceeding for the enforcement of this Mortgage;
- (vii) apply for the appointment of a trustee, receiver, liquidator or conservator of the Mortgaged Property, without notice and without regard for the adequacy of the security for the Debt and without regard for the solvency of the Mortgagor or of any person, firm or other entity liable for the payment of the Debt;

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(viii) enforce Mortgagee's interest in the Leases and Rents and enter into or upon the Mortgaged Property, either personally or by its agents, nominees or attorneys and dispossess Mortgagor and its agents and employees therefrom, and thereupon Mortgagee may (A) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with the Mortgaged Property and conduct the business thereat; (B) complete any construction on the Mortgaged Property in such manner and form as Mortgagee deems advisable; (C) make alterations, additions, renewals, replacements and improvements to or on the Mortgaged Property; (D) exercise all rights and powers of Mortgagor with respect to the Mortgaged Property, whether in the name of Mortgagor or otherwise, including the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive Rents; and (E) apply the receipts from the Mortgaged Property to the payment of the Debt, after deducting therefrom all expenses (including reasonable attorneys' fees and disbursements) incurred in connection with the aforesaid operations and all amounts necessary to pay the Taxes, insurance and other charges in connection with the Mortgaged Property, as well as just and reasonable compensation for the services of Mortgagee, and its counsel, agents and employees;

(ix) require Mortgagor to pay monthly in advance to Mortgagee, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of any portion of the Mortgaged Property occupied by Mortgagor, and require Mortgagor to vacate and surrender possession of the Mortgaged Property to Mortgagee or to such receiver, and, in default hereof, evict Mortgagor by summary proceedings or otherwise; or

(x) pursue such other rights and remedies as may be available at law or in equity or under the UCC, including the right to receive and/or establish a lock box for all Rents and proceeds from the Intangibles and any other receivables or rights to payments of Mortgagor relating to the Mortgaged Property.

In the event of a sale, by foreclosure or otherwise, of less than all of the Mortgaged Property, this Mortgage shall continue as a lien on the remaining portion of the Mortgaged Property.

(b) The proceeds of any sale made under or by virtue of this Paragraph 10, together with any other sums which then may be held by Mortgagee under this Mortgage, whether under the provisions of this paragraph or otherwise, shall be applied by Mortgagee to the payment of the Debt in such priority and proportion as Mortgagee in its sole discretion shall deem proper.

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

(d) Upon the completion of any sale or sales pursuant hereto, Mortgagee, or an officer of any court empowered to do so, shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument, or good and sufficient instruments, conveying, assigning and transferring all estate, right, title and interest in and to the property and rights sold.

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To the extent permitted by law, Mortgagee is hereby irrevocably appointed the true and lawful attorney of Mortgagor, in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Mortgaged Property and rights so sold and for that purpose Mortgagee may execute all necessary instruments of conveyance, assignment and transfer, and may substitute one or more persons with like power, Mortgagor hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Any sale or sales made under or by virtue of this Paragraph 10, whether made by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, or otherwise (to the extent permitted under applicable law) shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of Mortgagor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against Mortgagor and against any and all persons claiming or who may claim the same, or any part thereof, from, through or under Mortgagor.

(e) Upon any sale made under or by virtue of this Paragraph 10, whether made by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale or otherwise (to the extent permitted under applicable law), Mortgagee may bid for and acquire the Mortgaged Property or any part thereof, and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the Debt the net sales price after deducting therefrom the reasonable expenses of the sale and costs of the action and any other sums which Mortgagee is authorized to deduct under this Mortgage or any other Loan Document.

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

(g) Mortgagee may terminate or rescind any proceeding or other action brought in connection with its exercise of the remedies provided in this Paragraph 10 at any time before the conclusion thereof, as determined in Mortgagee's sole discretion, and without prejudice to Mortgagee.

(h) Mortgagee may resort to any remedies and the security given by this Mortgage or in any other Loan Document in whole or in part, and in such portions and in such order as determined in Mortgagee's sole discretion. No such action shall in any way be considered a waiver of any rights, benefits or remedies evidenced or provided by any Loan Document. The failure of Mortgagee to exercise any right, remedy or option provided in any Loan Document shall not be deemed a waiver of such right, remedy or option or of any covenant or obligation secured by any Loan Document. Unless expressly agreed to by Mortgagee in writing, no acceptance by Mortgagee of any payment after the occurrence of any Event of Default and no payment by Mortgagee of any obligation for which Mortgagor is liable hereunder shall be deemed to waive or cure any Event of Default, or Mortgagor's liability to pay such obligation. No sale of all or any portion of the Mortgaged Property, no forbearance on the part of Mortgagee, and no extension of time for the payment of the whole or any portion of the Debt or any other indulgence given by Mortgagee to Mortgagor, shall operate to release or in any manner affect the interest of Mortgagee in the remaining Mortgaged Property or the liability of Mortgagor to pay the Debt. No waiver by

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Mortgagee shall be effective unless it is in writing and then only to the extent specifically stated. All costs and expenses of Mortgagee in exercising its rights and remedies under this Paragraph 10 (including reasonable attorneys' fees and disbursements to the extent permitted by law), shall be paid by Mortgagor immediately upon notice from Mortgagee, with interest at the Default Rate for the period after written notice to Mortgagor from Mortgagee, and such costs and expenses shall constitute a portion of the Debt and shall be secured by this Mortgage.

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

11. Right of Entry. In addition to any other rights or remedies granted under this Mortgage, Mortgagee and its agents shall have the right to enter and inspect the Mortgaged Property at any reasonable time during the term of this Mortgage during normal business hours and after giving reasonable prior written notice to Mortgagor, and Mortgagee shall use commercial reasonable and diligent efforts not to disrupt or interfere with the operations of the occupants of the Mortgaged Property. The cost of such inspections or audits shall be borne by Mortgagor should Mortgagee determine that an Event of Default exists, including the cost of all follow up or additional investigations or inquiries deemed reasonably necessary by Mortgagee. The cost of such inspections, if not paid for by Mortgagor following demand, may be added to the principal balance of the sums due under the Note and this Mortgage and shall bear interest thereafter until paid at the Default Rate.

12. Security Agreement. This Mortgage is both a real property mortgage and a "security agreement" within the meaning of the UCC. The Mortgaged Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Mortgagor in the Mortgaged Property. Mortgagor by executing and delivering this Mortgage has granted and hereby grants to Mortgagee, as security for the Debt, a security interest in the Mortgaged Property to the full extent that the Mortgaged Property may be subject to the UCC (such portion of the Mortgaged Property so subject to the UCC being called in this paragraph the "*Collateral*"). The foregoing sentence is intended to grant in favor of Mortgagee a first priority continuing lien and security interest in all of Mortgagor's assets. Mortgagor authorizes Mortgagee and its counsel to file UCC financing statements in form and substance satisfactory to Mortgagee, describing the collateral as "all assets of Mortgagor, whether now owned or existing or hereafter acquired or arising and wheresoever located, and all proceeds and products thereof, including, without limitation, all fixtures on the Premises" or words to that effect, and any limitations on such collateral description, notwithstanding that such collateral description may be broader in scope than the Collateral described in this Mortgage. This Mortgage shall also constitute a "fixture filing" for the purposes of the UCC. As such, this Mortgage covers all items of the Collateral that are or are to become fixtures. Mortgagor's organizational identification number is 32-0485189. Information concerning the security interest herein granted may be obtained from the parties at the addresses of the parties set forth in the first paragraph of this Mortgage. If an Event of Default shall occur, Mortgagee, in addition to any other rights and remedies which it may have, shall have and may exercise immediately and without demand, any and all rights and remedies granted to a

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secured party upon default under the UCC, including, without limiting the generality of the foregoing, the right to take possession of the Collateral or any part thereof, and to take such other measures as Mortgagee may deem necessary for the care, protection and preservation of the Collateral. Upon request or demand of Mortgagee, Mortgagor shall at its expense assemble the Collateral and make it available to Mortgagee at a convenient place acceptable to Mortgagee. Mortgagor shall pay to Mortgagee on demand any and all expenses, including reasonable attorneys' fees and disbursements, incurred or paid by Mortgagee in protecting the interest in the Collateral and in enforcing the rights hereunder with respect to the Collateral. Any notice of sale, disposition or other intended action by Mortgagee with respect to the Collateral, sent to Mortgagor in accordance with the provisions hereof at least ten days prior to such action, shall constitute commercially reasonable notice to Mortgagor. The proceeds of any disposition of the Collateral, or any part thereof, may be applied by Mortgagee to the payment of the Debt in such priority and proportions as Mortgagee in its sole discretion shall deem proper. In the event of any change in name, identity or structure of Mortgagor, Mortgagor shall notify Mortgagee thereof and promptly after request shall execute, file and record such UCC forms as are necessary to maintain the priority of Mortgagee's lien upon and security interest in the Collateral, and shall pay all expenses and fees in connection with the filing and recording thereof. If Mortgagee shall require the filing or recording of additional UCC forms or continuation statements, Mortgagor shall, promptly after request, execute, file and record such UCC forms or continuation statements as Mortgagee shall deem necessary, and shall pay all expenses and fees in connection with the filing and recording thereof, it being understood and agreed, however, that no such additional documents shall increase Mortgagor's obligations under the Loan Documents.

13. Actions and Proceedings. Mortgagee has the right to appear in and defend any action or proceeding brought with respect to the Mortgaged Property and to bring any action or proceeding, in the name and on behalf of Mortgagor, which Mortgagee, in its sole discretion, decides should be brought to protect its or their interest in the Mortgaged Property. Mortgagee shall, at its option, be subrogated to the lien of any mortgage or other security instrument discharged in whole or in part by the Debt, and any such subrogation rights shall constitute additional security for the payment of the Debt.

14. Marshalling and Other Matters. Mortgagor hereby waives, to the extent permitted by law, the benefit of all appraisal, valuation, stay, extension, reinstatement and redemption laws now or hereafter in force and all rights of marshalling in the event of any sale hereunder of the Mortgaged Property or any part thereof or any interest therein. Further, Mortgagor hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on behalf of Mortgagor, and on behalf of each and every person acquiring any interest in or title to the Mortgaged Property subsequent to the date of this Mortgage and on behalf of all persons to the extent permitted by applicable law. The lien of this Mortgage shall be absolute and unconditional and shall not in any manner be affected or impaired by any acts or omissions whatsoever of Mortgagee. Without limiting the generality of the foregoing, the lien hereof shall not be impaired by (i) any acceptance by Mortgagee of any other security for any portion of the Debt, (ii) any failure, neglect or omission on the part of Mortgagee to realize upon or protect any portion of the Debt or any collateral security therefor or (iii) any release (except as to the property released), sale, pledge, surrender, compromise, settlement, renewal, extension, indulgence, alteration, change, modification or disposition of any portion of the Debt or of any of the collateral security therefor; and Mortgagee may foreclose, or exercise

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any other remedy available to Mortgagee under other Loan Documents without first exercising or enforcing any of its remedies under this Mortgage, and any exercise of the rights and remedies of Mortgagee hereunder shall not in any manner impair the Debt or the liens of any other Loan Document or any of Mortgagee's rights and remedies thereunder.

15. **Notices.** All notices, consents, approvals and requests required or permitted hereunder shall be in writing, and shall be sent, and shall be deemed effective, as provided in the Loan Agreement.

16. **Inapplicable Provisions.** If any term, covenant or condition of this Mortgage is held to be invalid, illegal or unenforceable in any respect, this Mortgage shall be construed without such provision.

17. **Headings.** The paragraph headings in this Mortgage are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

18. **Duplicate Originals.** This Mortgage may be executed in any number of duplicate originals and each such duplicate original shall be deemed to be an original.

19. **Definitions.** Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Mortgage may be used interchangeably in singular or plural form; and the word "*Mortgagor*" shall mean "each Mortgagor and any subsequent owner or owners of the Mortgaged Property or any part thereof or any interest therein," the word "*Mortgagee*" shall mean "Mortgagee and any subsequent holder of the Note," the words "*Mortgaged Property*" shall include any portion of the Mortgaged Property and any interest therein, the word "*including*" means "including but not limited to" and the words "*attorneys' fees*" shall include any and all attorneys' fees, paralegal and law clerk fees, including fees at the pre-trial, trial and appellate levels incurred or paid by Mortgagee in protecting its interest in the Mortgaged Property and Collateral and enforcing its rights hereunder.

20. **Homestead.** Mortgagor hereby waives and renounces all homestead and exemption rights provided by the Constitution and the laws of the United States and of any state, in and to the Mortgaged Property as against the collection of the Debt, or any part thereof.

21. **Assignments.** Mortgagee shall have the right to assign or transfer its rights under this Mortgage without limitation. Any assignee or transferee who has assumed any rights of Mortgagee under this Mortgage shall be entitled to all the benefits afforded Mortgagee under this Mortgage. Without limiting any other obligation of Mortgagee hereunder, Mortgagee shall disclose to Mortgagor in writing, upon Mortgagor's written request from time to time, within ten (10) Business Days after any such request, the identity of any owner of any direct interest in the Loan and, to Mortgagee's knowledge, indirect interest in the Loan, as well as notice and contact information for each such owner.

22. **Waiver of Jury Trial.** MORTGAGOR HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS MORTGAGE OR ANY

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OTHER LOAN DOCUMENT, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY MORTGAGOR, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. MORTGAGEE IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY MORTGAGOR.

23. **Consents.** Any consent or approval by Mortgagee in any single instance shall not be deemed or construed to be Mortgagee's consent or approval in any like matter arising at a subsequent date, and the failure of Mortgagee to promptly exercise any right, power, remedy, consent or approval provided herein or at law or in equity shall not constitute or be construed as a waiver of the same, nor shall Mortgagee be estopped from exercising such right, power, remedy, consent or approval at a later date. Any consent or approval requested of and granted by Mortgagee pursuant hereto shall be narrowly construed to be applicable only to Mortgagor and the matter identified in such consent or approval and no third party shall claim any benefit by reason thereof, and any such consent or approval shall not be deemed to constitute Mortgagee a venturer or partner with Mortgagor, nor shall privity of contract be presumed to have been established with any such third party. If Mortgagee deems it to be in its best interest to retain assistance of persons, firms or corporations (including attorneys, title insurance companies, appraisers, engineers and surveyors) with respect to a request for consent or approval, Mortgagor shall reimburse Mortgagee for all costs reasonably incurred in connection with the employment of such persons, firms or corporations.

24. **Loan Repayment and Defeasance.** Provided no Event of Default exists, this Mortgage will be satisfied and discharged of record by Mortgagee prior to the Maturity Date only in accordance with the terms and provisions set forth in the Loan Agreement.

25. **Intentionally Deleted.**

26. **Governing Law.** WITH RESPECT TO MATTERS RELATING TO THE CREATION, PERFECTION AND PROCEDURES RELATING TO THE ENFORCEMENT OF THIS MORTGAGE, THIS MORTGAGE SHALL BE GOVERNED BY, AND BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE IN WHICH THE MORTGAGED PROPERTY IS LOCATED, IT BEING UNDERSTOOD THAT, EXCEPT AS EXPRESSLY SET FORTH ABOVE IN THIS PARAGRAPH AND TO THE FULLEST EXTENT PERMITTED BY THE LAW OF SUCH STATE, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES SHALL GOVERN ALL MATTERS RELATING TO THIS MORTGAGE AND THE OTHER LOAN DOCUMENTS AND ALL OF THE INDEBTEDNESS OR OBLIGATIONS ARISING HEREUNDER OR THEREUNDER. ALL PROVISIONS OF THE LOAN AGREEMENT INCORPORATED HEREIN BY REFERENCE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES, AS SET FORTH IN THE GOVERNING LAW PROVISION OF THE LOAN AGREEMENT.

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27. **Exculpation.** The liability of Mortgagor hereunder is limited pursuant to Section 10.1 of the Loan Agreement.

PART II - ILLINOIS-SPECIFIC PROVISIONS

28. **Conflicts With Part I.** In the event of any conflict between the provisions of this Part II and any provision of Part I, then the provisions of this Part II shall control.

29. **Amount Secured.** This Mortgage secures all present and future loan disbursements made by Mortgagee under the Note or Loan Agreement, and all other sums from time to time owing to Mortgagee by Mortgagor under the other Loan Documents, including, without limitation, sums advanced in accordance herewith to protect the security of this Mortgage. The amount secured hereby shall in no event exceed an amount equal to 300% of the face amount of the Note.

30. **Acceleration; Foreclosure.** Upon the occurrence and during the continuance of an Event of Default, Mortgagee, at Mortgagee's option, may declare the entire balance of the Loan, including all accrued interest, to be immediately due and payable without further demand and may foreclose the lien of this Mortgage by judicial proceeding and may pursue any other remedies permitted by applicable law or provided herein or in any of the other Loan Documents. If the foreclosure is for less than all of the indebtedness secured hereby, the lien of this Mortgage shall continue for the balance of the indebtedness and obligations secured hereby. Without limitation of any other provision of this Mortgage, if Mortgagee shall incur or expend any sums, including without limitation attorneys' fees, whether or not in connection with any action or proceeding, to sustain the lien of this Mortgage or its priority, or to protect or enforce any of Mortgagee's rights hereunder, or to recover any indebtedness secured hereby, all such sums shall become immediately due and payable by Mortgagor, with interest thereon, to the extent permitted by law. All such sums shall be secured by this Mortgage and shall be a lien on the Mortgaged Property prior to any right, title, interest, or claim in, to or upon the Mortgaged Property attaching or accruing subsequent to the lien of this Mortgage. Mortgagee shall be entitled to collect all fees, costs and expenses incurred in pursuing such remedies, including, but not limited to, reasonable attorney's fees, costs of documentary evidence, abstracts and title reports. Without limitation of the foregoing, in any suit to foreclose the lien hereof, Mortgagee shall be allowed to include as additional indebtedness secured hereby in the decree for sale all reasonable costs and expenses which may be paid or incurred by or on behalf of Mortgagor or any holder or holders of the Note or other indebtedness secured hereby (plus interest thereon) for reasonable attorneys' fees, appraiser's fees, receiver's costs and expenses, insurance, taxes, outlays for documentary and expert evidence, costs for preservation of the Mortgaged Property, stenographer's charges, publication costs and costs of procuring all abstracts of title, title searches and examinations, guarantee policies 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 value of the Mortgaged Property or for any other reasonable purpose. Subject to applicable law, the amount of any such costs and expenses which may be paid or incurred after the decree for sale is entered may be estimated in good faith and the amount of such estimate may be allowed and included as additional indebtedness secured hereby in the decree for sale. Supplementing other provisions hereof, foreclosures and other In Rem proceedings against Mortgagor may be brought in Cook County,

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Illinois, or any federal court of competent jurisdiction in Illinois. Wherever provision is made in this Mortgage or the Loan Documents for insurance policies to bear lender clauses or other loss payable clauses or endorsements in favor of Mortgagee, or to confer authority upon Mortgagee to settle or participate in the settlement of losses under policies of insurance or to hold and disburse or otherwise control use of insurance proceeds, from and after the entry of a judgment of foreclosure, all such rights and power of Mortgagee shall continue in Mortgagee as judgment creditor or mortgagee until confirmation of sale.

31. Application of the Foreclosure Law. If any provision in this Mortgage shall be inconsistent with any provision of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101, et seq., as amended from time to time (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 be construed in a manner consistent with the Act. If any provision of this Mortgage shall grant to Mortgagee any rights or remedies upon an Event of Default which are more limited than the right that otherwise would be vested in Mortgagee under the Act from time to time in the absence of said provision, Mortgagee shall be vested with the rights in the Act to the fullest extent permitted by applicable law. If any provision of the Act which is specifically referred to herein shall be repealed, Mortgagee 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. All rights, powers and remedies provided in this Mortgage may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law, including, without limitation, the Act, and are intended to be limited to the extent necessary so that they will not render this Mortgage invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law.

32. Protective Advances. Except as varied by a court of law, all advances, disbursements and expenditures made by Mortgagee before and during a foreclosure, and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by this Mortgage or by the Act (collectively "*Protective Advances*"), shall have the benefit of all applicable provisions of the Act. All Protective Advances shall be so much additional amounts or obligations secured by this Mortgage, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the rate due and payable after a default under the terms of the Loan. This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to Subsection (b)(1) of Section 5/15-1302 of the Act. All Protective Advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in: (i) the determination of the amount of obligations secured by this Mortgage at any time; (ii) the amount found due and owing to Mortgagee in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or findings by the court of any additional amount becoming due after such entry of judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose; (iii) if the right of redemption has not been waived by Mortgagor in this Mortgage, the computation of the amount required to redeem, pursuant to Subsections (d)(2) and (e) of Section 5/15-1603 of the Act; (iv) the determination of the amount deductible from sale proceeds pursuant to Section 5/15-1512 of the Act; (v) the application of income in the hands of

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any receiver or mortgagee in possession; and (vi) the computation of any deficiency judgment pursuant to Subsections (b)(2) and (e) of Sections 5/15-1508 and Section 5/15-1511 of the Act.

33. Waiver of Redemption. Mortgagor acknowledges that the Mortgaged Property does not constitute agricultural real estate, as said term is defined in Section 5/15-1201 of the Act or residential real estate as defined in Section 5/15-1219 of the Act. Pursuant to Section 5/15-1601(b) of the Act, Mortgagor hereby waives any and all right to redemption.

34. Appointment of Receiver. Upon the occurrence of an Event of Default (or to the extent permitted by applicable law, at any time prior thereto), Mortgagee shall be entitled, without additional notice and without regard to the adequacy of any security for the Loan, whether the Mortgaged Property shall then be occupied as a homestead or not, or the solvency of any party bound for its payment, to make application for the appointment of a receiver to take possession of and to operate the Mortgaged Property, and to collect the Rents, all expenses of which shall be added to the Loan and secured hereby. The receiver shall have all the rights and powers described in Section 15-1704 of the Act, including without limitation, the power to execute leases, and the power to collect the rents, sales, proceeds, issues, profits and proceeds of the Mortgaged Property during the pendency of such foreclosure suit, as well as during any further times when Mortgagor, its successors or assigns, except for the intervention of such receiver, would be entitled to collect such rents, sales proceeds, issues, proceeds 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 Mortgaged Property during the whole of said period. All costs and expenses (including receiver's fees, reasonable attorney's fees and costs incurred in connection with the appointment of a receiver) shall be secured by this Mortgage. Notwithstanding the appointment of any receiver, trustee or other custodian, Mortgagee shall be entitled, to retain possession and control of any cash or other instruments, at the time held by or payable or deliverable under the terms of the Mortgage to Mortgagee to the fullest extent permitted by law. In addition to any provision herein authorizing Mortgagee to take or be placed in possession of the Mortgaged Property, or for the appointment of a receiver, Mortgagee shall have the right, in accordance with Sections 5/15-1701 and 5/15-1702 of the Act, to be placed in possession of the Mortgaged Property or at its request to have a receiver appointed, and such receiver, or Mortgagee, if and when placed in possession, shall have, in addition to any other powers provided in this Mortgage, all powers, immunities, and duties as provided for in Sections 5/15-1701 and 5/15-1703 of the Act.

35. Use of Loan Proceeds. Mortgagor covenants and agrees that all of the proceeds of the Note secured by this Mortgage will be used solely for business purposes and in furtherance of the regular business affairs of Mortgagor, and the entire principal obligation secured hereby constitutes: (a) a "business loan" as that term is defined in, and for all purposes of, the Illinois Interest Act, Section 815 ILCS 205/4(1)(c); and (b) "a loan secured by a mortgage on real estate" within the purview and operation of Section 815 ILCS 205/4(1)(1) thereof.

36. Illinois Collateral Protection Act. Pursuant to the requirements of the Illinois Collateral Protection Act, 815 ILCS 180/1, *et seq.*, Mortgagor is hereby notified as follows: Unless Mortgagor provides Mortgagee with evidence of the insurance coverage required by this Mortgage, Mortgagee may purchase insurance at Mortgagor's expense to protect Mortgagee's interests in the Mortgaged Property. This insurance may, but need not, protect Mortgagor's interests. The coverage Mortgagee purchases may not pay any claim that Mortgagor makes or any

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claim that is made against Mortgagor in connection with the Mortgaged Property. Mortgagor may later cancel any insurance purchased by Mortgagee but only after providing Mortgagee with evidence that Mortgagor has obtained insurance as required by this Mortgage. If Mortgagee purchases insurance for the Mortgaged Property, including interest in any other charges that Mortgagee 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 total outstanding amount of the Secured Obligations. The costs of the insurance obtained by Mortgagee may be more than the cost of insurance that Mortgagor may be able to obtain on its own.

PART III - CONDOMINIUM PROVISIONS

37. **Condominium Provisions.** The following provisions shall control in the event of any conflict with the terms of this Mortgage or of any of the other Loan Documents.

(a) Mortgagor shall not consent to the modification, amendment or termination of any of the Condominium Documents, in each case, without the prior written consent of Mortgagee, which consent will not be unreasonably withheld, conditioned or delayed.

(b) Mortgagor shall fully and faithfully pay when due and payable all assessments, common charges and other charges payable by Mortgagor under the Condominium Documents and shall perform as and when due each of its material obligations under the Condominium Documents in substantial accordance with their respective terms, and shall not cause or suffer to occur any breach or default in any of such obligations. Mortgagor shall keep and maintain each of the Condominium Documents in full force and effect to the extent that Mortgagor has the legal authority to do so.

(c) Mortgagor hereby assigns, conveys and mortgages to Mortgagee, as further and additional security for the indebtedness evidenced by the Note and Mortgagor's obligations under this Mortgage, all of the rights and benefits accruing to Mortgagor under the Condominium Documents (but only to the extent of Mortgagor's rights in and to same) with respect to the Mortgaged Property, including, without limitation, (i) any right of Mortgagor to amend, modify or terminate any of the Condominium Documents, (ii) any right of Mortgagor to terminate the condominium regime, including, without limitation, as a result of condemnation or casualty, and (iii) any right of Mortgagor to determine whether or not the Improvements will be restored or repaired following a fire or other casualty subject, however, to the terms and conditions of this Mortgage. If Mortgagee, its nominee, designee, successor, or assignee acquires title to one or more of the condominium units which comprise the Mortgaged Property by reason of foreclosure of this Mortgage, deed-in-lieu of foreclosure or otherwise, Mortgagee, its nominee, designee, successor, assign or such purchaser shall (x) succeed to all of the rights of and benefits accruing to Mortgagor under the Condominium Documents with respect to the Mortgaged Property, (y) be entitled to exercise all of the rights and benefits accruing to Mortgagor under the Condominium Documents with respect to the Mortgaged Property, and (z) subject to the terms of the Condominium Documents, have the immediate right to remove any and all managers, members, directors, trustees and/or officers of the condominium association appointed by Mortgagor, and thereupon Mortgagee, its nominee, designee, successor or assignee shall have the right to appoint managers, members, directors, trustees and/or officers of the condominium association in replacement for

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those managers, trustees, members, directors and/or officers so removed. At such time as Mortgagee shall request, Mortgagor agrees to execute and deliver to Mortgagee such documents as Mortgagee and its counsel may reasonably require in order to insure that the provisions of this Section 37 will be validly and legally enforceable and effective against Mortgagor and all parties claiming by, through, under or against Mortgagor. Mortgagor hereby absolutely and irrevocably appoints Mortgagee as its true and lawful attorney, coupled with any interest, in its name and stead to make and execute on behalf of Mortgagor, in good faith, any documents necessary to validly and legally carry out the rights granted to Mortgagee under the terms of this paragraph, Mortgagor ratifying all that its said attorney shall do by virtue thereof. In addition, Mortgagor covenants and agrees to give to Mortgagee prompt notice of any notice special assessment relating to any of the condominium units which comprise the Mortgaged Property received by Mortgagor. Mortgagor hereby assigns to Mortgagee, as further and additional security for the debt evidenced in the Note and Mortgagor's obligations hereunder, all of Mortgagor's right to make rules and regulations for the condominium association and Mortgagor hereby covenants and agrees not to make or cause to be made any rules or regulations, and not to suffer or permit any rules and regulations to be made, without in all cases first obtaining the prior written consent of Mortgagee thereto which shall not be unreasonably withheld, conditioned or delayed.

(d) Mortgagee's Right to Cure. If any material default under the Condominium Documents (as hereinafter defined) shall occur and be continuing, or if any party to any Condominium Document asserts that a material Condominium Default has occurred (whether or not Mortgagor questions or denies such assertion), then, subject to the terms and conditions of the applicable Condominium Documents, after notice to Mortgagor, Mortgagee, upon five (5) business days' prior written notice to Mortgagor, may (but shall not be obligated to) in good faith take any action that Mortgagee deems reasonably necessary to cure such Condominium Default, including, without limitation, (i) performance or attempted performance of Mortgagor's obligations under the applicable Condominium Documents, (ii) curing or attempting to cure any actual or purported Condominium Default, (iii) mitigating or attempting to mitigate any damages or consequences of the same and (iv) entry upon the Premises for any or all of such purposes. Upon Mortgagee's request, Mortgagor shall submit reasonably satisfactory evidence of payment or performance of any of its obligations under each of the Condominium Documents. Mortgagee may pay and expend such sums of money as Mortgagee in its sole discretion deems necessary or desirable for any such purpose, and Mortgagor shall pay to Mortgagee, within five (5) business days after the written demand of Mortgagee, all such sums so paid or expended by Mortgagee pursuant to this Section 37 together with interest thereon from the date of expenditure at the Default Rate.

(e) Preservation of Condominium. Mortgagor will do all things necessary to preserve and to keep unimpaired its material rights, powers and privileges under the Condominium Documents and to prevent the termination or expiration of the Condominium Documents, or the withdrawal of the Mortgaged Property from a condominium form of ownership under applicable law, to the end that Mortgagor may enjoy all of the material rights granted to it as a party to the Condominium Documents.

(f) Notice of Condominium Defaults. Mortgagor will (i) promptly notify Mortgagee of the receipt by Mortgagor of any notice from the Executive Board, or similar governing entity established for the governance of the condominium association established

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pursuant to the terms of the Condominium Documents (the “*Executive Board*”), or the owner of any other unit in the condominium, covering the Mortgaged Property, asserting or claiming a default by Mortgagor thereunder or lack of compliance by Mortgagor with the Condominium Documents, (ii) promptly notify Mortgagee of the receipt by Mortgagor of any notice or request from the Executive Board or owner of any unit of the termination or purported termination of the Condominium Documents or to withdraw the Mortgaged Property from condominium ownership pursuant to applicable law or to seek any action for partition, (iii) promptly notify Mortgagee of the receipt by Mortgagor of any notice or request from the Executive Board or owner of any unit of the material modification or change or proposed material modification or change of the Condominium Documents and (iv) promptly cause a copy of each such notice of request received by Mortgagor from the Executive Board or any unit owner, or from a Mortgagee of a mortgage on such other unit, to be delivered to Mortgagee. Mortgagor will permit Mortgagee to participate in any such partition or withdrawal proceeding to the extent permitted by law and the Condominium Documents (but Mortgagee shall not be obligated so to do). Mortgagor will promptly deliver to Mortgagee a copy of each notice, pleading, brief and preliminary, interim and final determination or decision and other papers received by it in each such partition or withdrawal proceeding.

(g) Statements, Notices. Mortgagor will, within twenty (20) days after written demand from Mortgagee, obtain if and to the extent that Mortgagor is entitled to the same under the Condominium Documents, and otherwise request from and make good faith efforts to obtain, from the Executive Board and deliver to Mortgagee a duly signed and acknowledged certificate (signed also by Mortgagor) that the Condominium Documents are unmodified and in full force and effect (or, if the same have been modified in compliance with this Mortgage, that the Condominium Documents are in full force and effect as to modified and that there have been no other modifications), stating the dates to which the assessments, common charges and other charges payable under the Condominium Documents have been paid and stating whether to the certifying party’s and Mortgagor’s knowledge, Mortgagor is in compliance with the Condominium Documents, or, if not, specifying each default or failure of compliance of which the certifying party has knowledge. Mortgagor will, promptly upon receipt thereof, furnish Mortgagee with a copy of all notices and statements, however characterized, issued by the Executive Board or relating to the Condominium Documents, including without limitation, financial statements and projected budgets.

(h) Executive Board Estoppel. Mortgagor will, upon Mortgagee’s request, use commercially reasonable efforts to deliver or cause to be delivered to Mortgagee an estoppel and agreement of the Executive Board in form and substance reasonably acceptable to Mortgagee.

(i) Condominium Representations and Warranties. Mortgagor hereby represents and warrants to Mortgagee as follows:

(i) Mortgagor has delivered true, complete and correct copies of each of the Condominium Documents to Mortgagee and the same have not been modified, amended or assigned except as previously disclosed to Mortgagee, and to Mortgagor’s knowledge, there are no other material condominium-related agreements or documents affecting Mortgagor’s interest in the Mortgaged Property; and

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(ii) Each of the Condominium Documents is in full force and effect and, to Mortgagor's knowledge, no Condominium Default exists or has occurred on the part of Mortgagor or on the part of any other party to any of the Condominium Documents.

(j) Condominium Defaults. The occurrence of one or more of the following events (each such event, a "*Condominium Default*") shall constitute a default hereunder:

(i) If Mortgagor shall consent to any material modification or amendment to any Condominium Document without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld, conditioned or delayed for any immaterial modification or amendment;

(ii) If Mortgagor shall fail to pay, when due and payable, all assessments, common charges and expenses made against the Mortgaged Property pursuant to the Condominium Documents and such failure shall continue after all required notices have been given and all applicable cure periods have expired;

(iii) If Mortgagor fails to comply with any of the applicable terms, covenants and conditions on Mortgagor's part to be complied with pursuant to the Condominium Documents;

(iv) If Mortgagor shall vote to increase the indebtedness of the Condominium without the prior written consent of Mortgagee;

(v) If any provision of the applicable statutes pursuant to which the Condominium was established or any section, sentence, clause, phrase or word or the application thereof in any circumstance, is held invalid and such invalidity shall affect the lien of this Mortgage or the rights of Mortgagee under the Note, this Mortgage or any of the other Loan Documents;

(vi) If Mortgagor initiates or otherwise consents to or participates in any action for partition of the Condominium;

(vii) If the Executive Board continues to fail (A) to maintain the Condominium, including the Mortgaged Property, in good condition and repair, and such failure directly or indirectly decreases the security value of this Mortgage, (B) to promptly comply with all laws, orders, and ordinances affecting the Condominium, including the Mortgaged Property, or the use thereof, (C) to promptly repair, replace or rebuild any part of the Mortgaged Property and the Common Elements, which may be damaged or destroyed by any casualty or which may be affected by any condemnation or similar proceeding, to the extent required by the Condominium Documents, or (D) to complete and pay for, within a reasonable time, any structural improvements or other structure that constitutes a portion of the Mortgaged Property and Common Elements at any time in the process of construction or repair (to the extent that the Executive Board is authorized to so maintain, repair, replace, rebuild and complete the Condominium, including the Mortgaged Property, by the Condominium Documents), and such failure shall continue for a period of sixty (60) days after written notice from Mortgagor thereof is delivered to the Executive Board specifying such failure and requiring the same to be remedied, provided that if such

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failure cannot be cured within sixty (60) days, the cure period shall be extended so long as the Executive Board is diligently proceeding to cure the failure;

(viii) If Mortgagor fails to maintain the Mortgaged Property as a condominium under the provisions of the Condominium Act;

(ix) If Mortgagor, its officers, agents or employees (collectively, the "**Mortgagor Parties**" and each, a "**Mortgagor Party**") do not comprise at least sixty percent (60%) or more of the Executive Board and all Key Principals do not hold seats on the Executive Board; provided, however, upon Mortgagee's written request, Mortgagor shall cause the Executive Board to be one hundred percent (100%) comprised of Mortgagor Parties, by exercising Mortgagor's voting rights (pursuant to Section 5.06 of the Condominium Declaration and as otherwise available to Mortgagor pursuant to the Condominium Documents) at the next election for any seat on the Executive Board then not controlled by a Mortgagor Party; or

(x) If Mortgagor breaches any covenant set forth in this Section 37.

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

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

Mortgagor:

RIVER NORTH RETAIL HOLDING, LLC,
a Delaware limited liability company

By: River North Retail, LLC,
an Illinois limited liability company,
its sole member

By: TLC Huron, LLC,
an Illinois limited liability company,
its manager

By: 
Name: Keith E. Lord
Title: Manager

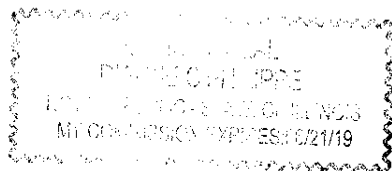
Property of Cook County Clerk's Office

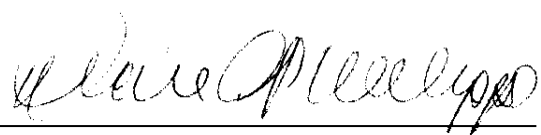
ACKNOWLEDGMENT

STATE OF IL)
COUNTY OF Cook) ss.:

On Feb 11, 2016, before me, a Notary Public for said state, personally appeared Keith E. Lord, the manager of TLC Huron, LLC, an Illinois limited liability company, the manager of River North Retail, LLC, an Illinois limited liability company, the sole member of River North Retail Holding, LLC, a Delaware limited liability company, personally known to me OR proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted executed the instrument for the purposes therein contained.

In witness hereof, I hereunto set my hand and official seal.




Notary Public

[SEAL]

My commission expires: 6/21/19

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EXHIBIT A

Legal Description

PARCEL 1:

UNITS 1 AND 2A IN THE HURON STREET COMMERCIAL CONDOMINIUM, AS DELINEATED AND DEFINED IN THE DECLARATION RECORDED AS DOCUMENT NO. 0624245139 AS AMENDED FROM TIME TO TIME, TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

EASEMENT FOR INGRESS AND EGRESS FOR THE BENEFIT OF PARCEL 1 AS DESCRIBED IN THE DECLARATION OF EASEMENTS, COVENANTS AND RESTRICTIONS RECORDED AS DOCUMENT NUMBER 0624245139, AMENDED BY DOCUMENT NOS. 0705815045 AND 0805615036 AND AS AMENDED FROM TIME TO TIME.

PARCEL 3:

EASEMENT FOR, UTILITIES, STORM SEWER LINES, INGRESS AND EGRESS AND ACCESS FOR THE BENEFIT OF PARCEL 1 AS DESCRIBED IN THE DECLARATION OF COVENANTS AND CONDITIONS, RESTRICTIONS AND EASEMENTS RECORDED AS DOCUMENT NO. 0601832098, AMENDED BY DOCUMENT NO. 0624245138.