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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 1607419163 Fee: \$128.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 03/14/2016 04:05 PM Pg: 1 of 46

1668441-8

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN:** 17-04-435-034-1001

Address:

Street: 2 West Delaware Place

Street line 2:

City: Chicago

State: IL

ZIP Code: 60601

Lender: Parlex 5 Finco LLC

Borrower: AGJ 2WD Owner 1 LLC, AGJ 2WD Owner 2 LLC, AGJ 2WD Owner 3 LLC, and AGJ 2WD Owner 4 LLC

Loan / Mortgage Amount: \$104,000,000.00

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: 25818E6C-ECBB-4E77-A76E-166320ACA3EA

Execution date: 3/7/2016

[Handwritten signature]
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EXECUTION VERSION

THIS INSTRUMENT WAS
PREPARED BY AND UPON
RECORDATION RETURN TO:

Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, New York 10166-0193
Attention: Victoria Shusterman, Esq.

1668411-4

AGJ 2WD OWNER 1 LLC,
AGJ 2WD OWNER 2 LLC,
AGJ 2WD OWNER 3 LLC, and
AGJ 2WD OWNER 4 LLC,
each a Delaware limited liability company,
collectively, and jointly and severally,
as mortgagor
(Mortgagor and Debtor)

to

PARLEX 5 FINCO, LLC,
a Delaware limited liability company, as mortgagee
(Mortgagee and Secured Party)

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

Dated: As of March 10, 2016

Address: 2 West Delaware Place
Municipality: Chicago
County: Cook
State: Illinois
P.I.N. No.: See Exhibit A attached hereto

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

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT WITH FIXTURE FILING (as the same may be amended, restated, replaced, supplemented or otherwise modified, being hereinafter referred to as this "**Security Instrument**") is made as of March 10, 2016, by AGJ 2WD Owner 1 LLC, a Delaware limited liability company ("**Mortgagor 1**"), AGJ 2WD Owner 2 LLC, a Delaware limited liability company ("**Mortgagor 2**"), AGJ 2WD Owner 3 LLC, a Delaware limited liability company ("**Mortgagor 3**"), and AGJ 2WD Owner 4 LLC, a Delaware limited liability company ("**Mortgagor 4**"), and together with Mortgagor 1, Mortgagor 2 and Mortgagor 3, each a "**Mortgagor**," and collectively, and jointly and severally, "**Mortgagor**") as mortgagor, each having its principal place of business at c/o Angelo, Gordon & Co., L.P., 245 Park Avenue, 25th Floor, New York, New York 10167, to and for the benefit of Parlex 5 Finco, LLC, a Delaware limited liability company, having an address c/o Blackstone Real Estate Special Situations Advisors L.L.C., 345 Park Avenue, New York, New York 10154, as mortgagee ("**Mortgagee**").

RECITALS:

A. This Security Instrument is given to secure the Loan in the principal sum of up to ONE HUNDRED FOUR MILLION AND NO/100 DOLLARS (\$104,000,000.00) or so much thereof as may be advanced pursuant to the certain Loan Agreement dated as of the date hereof between Mortgagor and Mortgagee (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Loan Agreement**") and evidenced by that certain Promissory Note in the aggregate principal amount of the Loan, dated the date hereof, made by Mortgagor to Mortgagee (such Promissory Note, together with all extensions, renewals, replacements, restatements or modifications thereof being hereinafter collectively referred to as the "**Note**"). Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Loan Agreement. If not sooner due and payable in accordance with the Loan Agreement and the other Loan Documents, the Loan secured by this Security Instrument shall be due and payable in full no later than the Stated Maturity Date of April 9, 2018, subject to extension as expressly provided in the Loan Agreement,

B. Mortgagor desires to secure the payment of the outstanding principal amount of the Loan together with all interest accrued and unpaid thereon and all other sums due to Mortgagee in respect of the Loan and the Loan Documents (the "**Debt**") and the performance of all of its obligations under the Note, the Loan Agreement and the other Loan Documents; and

C. This Security Instrument is given pursuant to the Loan Agreement, and payment, fulfillment, and performance by Mortgagor of its obligations thereunder and under the other Loan Documents (hereinafter defined) in respect of the Loan are secured hereby, and each and every term and provision of the Loan Agreement, the Note and that certain Assignment of Leases and Rents, of even date herewith, made by Mortgagor in favor of Mortgagee (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Assignment of Leases**"), in each case as the same relates to the Loan, including the rights, remedies, obligations, covenants, conditions, agreements, indemnities, representations and warranties of the parties therein, are hereby incorporated by reference herein as though set forth

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in full and shall be considered a part of this Security Instrument (the Loan Agreement, the Note, this Security Instrument, the Assignment of Leases and all other documents evidencing or securing the Debt or delivered in connection therewith are hereinafter referred to collectively as the "Loan Documents").

NOW THEREFORE, in consideration of the making of the Loan by Mortgagee and the covenants, agreements, representations and warranties set forth in this Security Instrument, Mortgagor and Mortgagee hereby agree as follows:

ARTICLE 1 – GRANTS OF SECURITY

Section 1.1 Property Mortgaged. Mortgagor does hereby irrevocably mortgage, grant, bargain, sell, pledge, assign, warrant, transfer and convey to Mortgagee and its successors and assigns, with power of sale (if and to the extent permitted by applicable law) to and for the benefit of Mortgagee as security for the Debt, all of Mortgagor's right, title and interest in and to the following property, rights, interests and estates if and to the extent now owned, or hereafter acquired by Mortgagor (collectively, the "Property");

(a) Land. The real property described in Exhibit A attached hereto and made a part hereof (the "Land");

(b) Intentionally Omitted;

(c) Additional Land. All additional lands, estates and development rights now existing or hereafter acquired by Mortgagor for use in connection with the Land and all additional lands and estates therein which may, from time to time, by supplemental mortgage or otherwise be expressly made subject to the lien of this Security Instrument;

(d) Improvements. The buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter erected or located on the Land (collectively, the "Improvements");

(e) Easements. All easements, rights-of-way or use, rights, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, and all estates, rights, titles, interests, privileges, liberties, servitudes, tenements, hereditaments and appurtenances of any nature whatsoever, in any way now or hereafter belonging, relating or pertaining to the Land and the Improvements and the reversions and remainders, and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Land, to the center line thereof, if applicable, 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 Land and the Improvements and every part and parcel thereof, with the appurtenances thereto;

(f) Equipment. All "equipment," as such term is defined in Article 9 of the Uniform Commercial Code (as hereinafter defined), now owned or hereafter acquired by Mortgagor, which is used at or in connection with the Improvements or the Land or is located thereon or therein (including, but not limited to, all building materials, machinery, equipment,

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furnishings, and electronic data-processing and other office equipment, in each case now owned or hereafter acquired by Mortgagor, and any and all additions, substitutions and replacements of any of the foregoing), together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto and together with all bills of lading, warehouse receipts, delivery receipts or other documents of title to any of the foregoing (collectively, the "**Equipment**"). Notwithstanding the foregoing, Equipment shall not include any property belonging to Tenants under Leases except to the extent (and only to the extent) that Mortgagor shall have any right or interest therein;

(g) **Fixtures**. All Equipment now owned, or the ownership of which is hereafter acquired, by Mortgagor which is so related to the Land and/or Improvements forming part of the Property that it is deemed fixtures or real property under the law of the particular state in which the Equipment is located, including, without limitation, all building or construction materials intended for construction, reconstruction, alteration or repair of or installation on the Property, construction equipment, appliances, machinery, plant equipment, fittings, apparatuses, fixtures and other items now or hereafter attached to, installed in or used in connection with (temporarily or permanently) any of the Improvements or the Land, including, but not limited to, engines, devices for the operation of pumps, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatuses and equipment, heating, ventilating, plumbing, laundry, incinerating, electrical, air conditioning and air cooling equipment and systems, gas and electric machinery, appurtenances and equipment, pollution control equipment, security systems, disposals, dishwashers, refrigerators and ranges, recreational equipment and facilities of all kinds, and water, gas, electrical, storm and sanitary sewer facilities, utility lines and equipment (whether owned individually or jointly with others, and, if owned jointly, to the extent of Mortgagor's interest therein) and all other utilities whether or not situated in easements, all water tanks, water supply, water power sites, fuel stations, fuel tanks, fuel supply, and all other structures, together with all accessions, appurtenances, additions, replacements, betterments and substitutions for any of the foregoing and the proceeds thereof (collectively, the "**Fixtures**"). Notwithstanding the foregoing, "**Fixtures**" shall not include any property which Tenants are entitled to remove pursuant to leases except to the extent (and only to the extent) that Mortgagor shall have any right or interest therein;

(h) **Personal Property**. All furniture, furnishings, objects of art, machinery, goods, tools, supplies, appliances, general intangibles, contract rights, accounts, accounts receivable, franchises, licenses, certificates and permits, and all other inventory and personal property of any kind or character whatsoever (as defined in and subject to the provisions of the Uniform Commercial Code as hereinafter defined), other than Fixtures, which are now or hereafter owned by Mortgagor and which are located within or about the Land and the Improvements, together with all accessories, replacements and substitutions thereto or therefor and the proceeds thereof (collectively, the "**Personal Property**") (it being understood and agreed that the Personal Property shall not include any property belonging to tenants under the Leases except to the extent Mortgagor shall have any right or interest thereto), and the right, title and interest of Mortgagor in and to any of the Personal Property which may be subject to any security interests, as defined in the Uniform Commercial Code, as adopted and enacted by the state or states where any of the Property is located (as amended from time to time, the "**Uniform Commercial Code**"), superior in lien to the lien of this Security Instrument and all proceeds and products of the above;

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(i) Leases and Rents. All leases, subleases, subsubleases, lettings, licenses, concessions or other agreements (whether written or oral) pursuant to which any Person is granted a possessory interest in, or right to use or occupy all or any portion of the Land and the Improvements and every modification, amendment or other agreement relating to such leases, subleases, subsubleases, or other agreements and every guarantee of the performance and observance of the covenants, conditions and agreements to be performed and observed by the other party thereto, heretofore or hereafter entered into (collectively, the "Leases"), whether before or after the filing by or against Mortgagor of any petition for relief under 11 U.S.C. §101 et seq., as the same may be amended from time to time (the "Bankruptcy Code") and all right, title and interest of Mortgagor, its successors and assigns therein and thereunder, including, without limitation, cash or securities deposited thereunder to secure the performance by the lessees of their obligations thereunder and all rents (including percentage rents), rent equivalents, moneys payable as damages (including payment by reason of the rejection of a Lease in a Bankruptcy Action) or in lieu of rent or rent equivalents, additional rents, revenues, issues and profits (including all oil and gas or other mineral royalties and bonuses) income, fees, receivables, deposits (including, without limitation, security, utility and other deposits) accounts and receipts from the Land and the Improvements whether paid or accruing before or after the filing by or against Mortgagor of any petition for relief under the Bankruptcy Code (collectively, the "Rents") and 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 and the performance of the Obligations;

(j) Condemnation Awards. All Awards or payments, including interest thereon, which may heretofore and hereafter be made with respect to the Property, whether from the exercise of the right of eminent domain (including but not limited to 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 Property including, without limitation, any award or awards, or settlements or payments, hereafter made resulting from (i) condemnation proceedings or the taking of all or any portion of the Improvements, the Equipment, the Fixtures, the Leases or the Personal Property, or any part thereof, under the power of eminent domain; or (ii) the alteration of grade or the location or the discontinuance of any street adjoining the Property or any portion thereof; and Mortgagor hereby agrees to execute and deliver from time to time such further instruments as may be reasonably requested by Mortgagee to confirm such assignment to Mortgagee of any such award, damage, payment or other compensation;

(k) Insurance Proceeds. All Insurance Proceeds in respect of the Property under any Policies covering the Property, including, without limitation, the right to receive and apply the proceeds of any Policies, insurance, judgments, or settlements made in lieu thereof, in connection with a Casualty or for other damage to the Property;

(l) Tax Certiorari. All refunds, rebates or credits in connection with any reduction in Taxes or Other Charges and assessments charged against the Property as a result of tax certiorari or any applications or proceedings for reduction;

(m) Rights. Subject to and in accordance with the terms of the Loan Agreement, the right, in the name and on behalf of Mortgagor, to appear in and defend any action or proceeding brought with respect to Mortgagor's interest in the Property and to commence any action or proceeding to protect the interest of Mortgagee in the Property;

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(n) Agreements. Except those that are not assignable by their terms, all of Mortgagor's right, title and interest in and to all agreements, contracts, certificates, instruments, franchises, permits, licenses, plans, specifications and other documents, now or hereafter entered into, and all rights therein and thereto, respecting or pertaining to the use, occupation, construction, management or operation of the Land and any part thereof and any Improvements or respecting any business or activity conducted on the Land and any part thereof including, without limitation, each Management Agreement, and all right, title and interest of Mortgagor therein and thereunder, including, without limitation, the right, upon the occurrence and during the continuance of any Event of Default hereunder, to receive and collect any sums payable to Mortgagor thereunder;

(o) Trademarks. All of Mortgagor's right, title and interest in and to all tradenames, trademarks, internet websites, servicemarks, logos, copyrights, goodwill, books and records and all other general intangibles relating to or used in connection with the operation of the Property;

(p) Accounts. All reserves, escrows and deposit accounts maintained by Mortgagor with respect to the Property, including, without limitation, all accounts and sub-accounts established or maintained pursuant to the Loan Documents (collectively, "Accounts"); together with all deposits or wire transfers made to such accounts and all cash, checks, drafts, certificates, securities, investment property, financial assets, instruments and other property held therein from time to time and all proceeds, products, distributions or dividends or substitutions thereon and thereof;

(q) Interest Rate Cap Agreement. The Interest Rate Cap Agreement and any replacements, amendments or supplements thereto, including, but not limited to, all "accounts", "chattel paper", "general intangibles" and "investment property" (as such terms are defined in the Uniform Commercial Code as from time to time in effect) constituting or relating to the foregoing, and all claims of Mortgagor for breach by the counterparty thereunder of any covenant, agreement, representation or warranty contained in the Interest Rate Cap Agreement; and all products and proceeds of any of the foregoing;

(r) Conversion. All proceeds of the conversion, voluntary or involuntary, of any of the foregoing including, without limitation, Insurance Proceeds and Awards into cash or liquidation claims (subject to the terms of the Loan Agreement);

(s) Proceeds. All proceeds of any of the foregoing, including without limitation, proceeds of insurance and condemnation awards, whether cash, liquidation or other claims or otherwise; and

(t) Other Rights. All other or greater rights and interests of every nature in the Real Property (as hereinafter defined) and in the possession or use thereof and income therefrom, whether now owned or hereafter acquired by Mortgagor (including, without limitation, any and all other rights of Mortgagor in and to the items set forth in Subsections (a) through (s) above.

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AND without limiting any of the other provisions of this Security Instrument, to the extent permitted by applicable law, Mortgagor expressly grants to Mortgagee, as secured party, a security interest in the portion of the Property which is or may be subject to the provisions of the Uniform Commercial Code which are applicable to secured transactions; it being understood and agreed that the Improvements and Fixtures are part and parcel of the Land (the Land, the Improvements and the Fixtures collectively referred to as the "**Real Property**") appropriated to the use thereof and, whether affixed or annexed to the Real Property or not, shall for the purposes of this Security Instrument be deemed conclusively to be real estate and mortgaged hereby.

Section 1.2 Assignment of Rents. Mortgagor hereby absolutely and unconditionally assigns to Mortgagee all of Mortgagor's right, title and interest in and to all current and future Leases and Rents; it being intended by Mortgagor that this assignment constitutes a present, absolute and irrevocable transfer and assignment and not an assignment for additional security only. Nevertheless, subject to the terms of the Assignment of Leases, the Loan Agreement, the Clearing Account Agreement, the Cash Management Agreement and Section 7.1(h) of this Security Instrument, Mortgagee grants to Mortgagor a revocable license to collect, receive, use and enjoy the Rents and to take any and all actions Mortgagor deems necessary or advisable with respect thereto that are not prohibited by the Loan Agreement. Mortgagor shall hold the Rents for use in accordance with the Loan Agreement.

Section 1.3 Security Agreement. This Security Instrument is both a real property mortgage and a "security agreement" within the meaning of the Uniform Commercial Code. The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Mortgagor in the Property. By executing and delivering this Security Instrument, Mortgagor hereby grants to Mortgagee, as security for the Obligations, a security interest in the Fixtures, the Equipment, the Personal Property and other property constituting the Property to the full extent that the Fixtures, the Equipment, the Personal Property and such other property may be subject to the Uniform Commercial Code (said portion of the Property so subject to the Uniform Commercial Code being called the "**Collateral**"). If an Event of Default shall occur and be continuing, 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 secured party upon default under the Uniform Commercial Code, 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 written request or demand of Mortgagee after the occurrence and during the continuance of an Event of Default, Mortgagor shall, at its expense, assemble the Collateral and make it available to Mortgagee at a convenient place (at the Land if tangible property) reasonably acceptable to Mortgagee. Mortgagor shall pay to Mortgagee within ten (10) Business Days following written demand therefor any and all expenses, including reasonable out-of-pocket legal expenses and attorneys' fees and costs, incurred or paid by Mortgagee in protecting its interest in the Collateral and in enforcing its rights hereunder with respect to the Collateral after the occurrence and during the continuance of an Event of Default. 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 thirty (30) Business Days prior to such action, shall, except as otherwise provided by applicable law, constitute reasonable notice to Mortgagor. The proceeds

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of any disposition of the Collateral, or any part thereof, may, except as otherwise required by applicable law, be applied by Mortgagee to the payment of the Debt in such priority and proportions as Mortgagee in its discretion shall deem proper. The principal place of business of Mortgagor (Debtor) is as set forth on page one hereof and the address of Mortgagee (Secured Party) is as set forth on page one hereof.

Section 1.4 Fixture Filing. Certain of the Property is or will become "fixtures" (as that term is defined in the Uniform Commercial Code) on the Land, and this Security Instrument, upon being filed for record in the real estate records of the city or county wherein such fixtures are situated, shall operate also as a financing statement filed as a fixture filing in accordance with the applicable provisions of said Uniform Commercial Code upon such of the Property that is or may become fixtures.

Section 1.5 Pledges of Monies Held. Mortgagor hereby pledges to Mortgagee and grants to Mortgagee a security interest in any and all monies now or hereafter held by Mortgagee or on behalf of Mortgagee in connection with the Loan, including, without limitation, any sums deposited in the Reserve Accounts and Net Proceeds in respect of the Loan, as additional security for the Obligations until expended or applied or distributed to Mortgagor's member as provided in this Security Instrument, the Cash Management Agreement or the other Loan Documents.

CONDITIONS TO GRANT

TO HAVE AND TO HOLD the above granted and described Property unto and to the use and benefit of Mortgagee and its successors and assigns, forever;

WITH POWER OF SALE, to secure Mortgagor's payment of the Debt and performance of the Obligations at the time and in the manner provided in the Note, the Loan Agreement, this Security Instrument, and the other Loan Documents;

PROVIDED, HOWEVER, these presents are upon the express condition that, if Mortgagor shall (a) pay to Mortgagee the Debt at the time and in the manner provided in the Note, the Loan Agreement, this Security Instrument and the other Loan Documents, and (b) perform the Obligations as set forth in the Loan Agreement, this Security Instrument and the other Loan Documents these presents and the estate hereby granted shall immediately and automatically cease, terminate and be void; provided, however, that to the extent provided herein, Mortgagor's obligation to indemnify and hold harmless Mortgagee pursuant to the provisions hereof shall survive any such payment or release.

ARTICLE 2 – DEBT AND OBLIGATIONS SECURED

Section 2.1 Debt. This Security Instrument and the grants, assignments and transfers made in Article 1 are given for the purpose of securing the Debt.

Section 2.2 Other Obligations. This Security Instrument and the grants, assignments and transfers made in Article 1 are also given for the purpose of securing the Obligations.

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ARTICLE 3 – MORTGAGOR COVENANTS

Mortgagor covenants and agrees that:

Section 3.1 Payment of Debt. Mortgagor will pay the Debt and perform the Obligations at the time and in the manner provided in the Loan Agreement, the Note, this Security Instrument and the other Loan Documents. In the event of any conflict between the terms of the Loan Agreement and the terms of this Security Instrument, the terms of the Loan Agreement will control.

Section 3.2 Incorporation by Reference. All the covenants, conditions and agreements contained in (a) the Loan Agreement, (b) the Note and (c) all and any of the other Loan Documents, are hereby made a part of this Security Instrument to the same extent and with the same force as if fully set forth herein.

Section 3.3 Insurance. Mortgagor shall obtain and maintain, or cause to be maintained, in full force and effect at all times insurance with respect to Mortgagor and the Property, as required by and pursuant to the terms of the Loan Agreement.

Section 3.4 Maintenance of Property. Subject to the terms of the Loan Agreement, Mortgagor shall cause the Property to be maintained in a good and safe condition and repair, ordinary wear and tear excepted. Subject to the provisions of the Loan Agreement, the Improvements, the Fixtures, the Equipment and the Personal Property shall not be removed, demolished or materially altered (except as contemplated in the Loan Agreement and for normal replacement of the Fixtures, the Equipment or the Personal Property, tenant finish and refurbishment of the Improvements without the consent of Mortgagee, not to be unreasonably withheld, conditioned or delayed.

Section 3.5 Waste. Mortgagor shall not commit or knowingly suffer any actual physical waste of the Property or make any change in the use of the Property which will in any way materially increase the risk of fire or other hazard arising out of the operation of the Property, or take any action that will invalidate or allow the cancellation of any Policy. Mortgagor will not, without the prior written consent of Mortgagee, permit any drilling or exploration for or extraction, removal, or production of any minerals from the surface or the subsurface of the Land, regardless of the depth thereof or the method of mining or extraction thereof.

Section 3.6 Performance of Other Agreements. Mortgagor shall observe and perform (a) each and every term, covenant and provision to be observed or performed by Mortgagor pursuant to the Loan Agreement and any other Loan Document and (b) in all material respects, each and every term, covenant and provision to be observed or performed by Mortgagor pursuant to any other agreement or recorded instrument affecting or pertaining to the Property and any amendments, modifications or changes thereto.

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ARTICLE 4 – OBLIGATIONS AND RELIANCES

Section 4.1 Relationship of Mortgagor and Mortgagee. The relationship between Mortgagor, on the one hand, and Mortgagee, on the other, is solely that of debtor and creditor, and Mortgagee has no fiduciary or other special relationship with Mortgagor, and no term or condition of any of the Loan Agreement, the Note, this Security Instrument and/or the other Loan Documents shall be construed so as to deem the relationship between Mortgagor, on the one hand, and Mortgagee, on the other, to be other than that of debtor and creditor.

Section 4.2 No Reliance on Mortgagee. The general partners, members, and/or principals of Mortgagor are experienced in the ownership and operation of properties similar to the Property, and Mortgagor is relying solely upon such expertise and business plan in connection with the ownership and operation of the Property. Mortgagor is not relying on Mortgagee's expertise, business acumen or advice in connection with the Property.

Section 4.3 No Mortgagee Obligations. (a) Notwithstanding the provisions of Subsections 1.1(i) and (n) or Section 1.2, prior to Mortgagee becoming a "mortgagee in possession," a foreclosure or deed-in-lieu of foreclosure, Mortgagee is not undertaking the performance of (i) any obligation under the Leases; (ii) any obligations with respect to any other agreements, contracts, certificates, instruments, franchises, permits, trademarks, licenses or other documents; or (iii) any obligation or liability for the control, care, management or repair of the Property.

(b) By accepting or approving anything required to be observed, performed or fulfilled or to be given to Mortgagee pursuant to this Security Instrument, the Loan Agreement, the Note or the other Loan Documents, including, without limitation, any officer's certificate, balance sheet, statement of profit and loss or other financial statement, survey, appraisal, or insurance policy, Mortgagee shall not be deemed to have warranted, consented to, or affirmed the sufficiency, the legality or effectiveness of same, and such acceptance or approval thereof shall not constitute any warranty or affirmation with respect thereto by Mortgagee.

Section 4.4 Reliance. Mortgagor recognizes and acknowledges that in accepting the Loan Agreement, the Note, this Security Instrument and the other Loan Documents, Mortgagee is expressly and primarily relying on the truth and accuracy of the warranties and representations set forth in Section 4.1 of the Loan Agreement without any obligation to investigate the Property and notwithstanding any investigation of the Property by Mortgagee; that such reliance existed on the part of Mortgagee prior to the date hereof, that the warranties and representations are a material inducement to Mortgagee in making the Loan; and that Mortgagee would not be willing to make the Loan and accept this Security Instrument in the absence of the warranties and representations as set forth in Section 4.1 of the Loan Agreement. Mortgagor further acknowledges that Mortgagee has examined and relied on the experience of Mortgagor and its general partners, members and principals in owning and operating properties such as the Property in agreeing to make the Loan, and will continue to rely on Mortgagor's ownership of the Property as a means of maintaining the value of the Property as security for repayment of the Debt and the performance of the Obligations. Mortgagor acknowledges that Mortgagee has a valid interest in maintaining the value of the Property so as to ensure that,

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should Mortgagor default in the repayment of the Debt or the performance of the Obligations, Mortgagee can recover the Debt by a sale of the Property.

ARTICLE 5 – FURTHER ASSURANCES

Section 5.1 Recording of Security Instrument, Etc. Mortgagor forthwith upon the execution and delivery of this Security Instrument and thereafter, upon Mortgagee's reasonable written request from time to time, will cause this Security Instrument and any of the other Loan Documents creating a lien or security interest or evidencing the lien hereof upon the 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 to fully protect and perfect the lien or security interest hereof upon, and the interest of Mortgagee in the Property, provided same does not increase the obligations or liabilities of Mortgagor other than to a de minimis extent (provided that no such action shall increase any such monetary obligations or liabilities) or reduce the rights and privileges of Mortgagor other than to a de minimis extent. Mortgagor will pay all taxes, filing, registration or recording fees, and all reasonable out-of-pocket expenses incident to the preparation, execution, acknowledgment and/or recording of the Note, this Security Instrument, the other Loan Documents, any note, deed of trust or mortgage supplemental hereto, any other security instrument with respect to the Property and any instrument of further assurance, and any modification or amendment of the foregoing documents, and all federal, state, county and municipal taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Security Instrument, any deed of trust or mortgage supplemental hereto, any security instrument with respect to the Property or any instrument of further assurance, and any modification or amendment of the foregoing documents, except where prohibited by law so to do.

Section 5.2 Further Acts, Etc. Mortgagor will, at the cost of Mortgagor, and without expense to Mortgagee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, deeds of trust, mortgages, assignments, notices of assignments, 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, deeded, granted, bargained, sold, conveyed, confirmed, pledged, assigned, warranted and transferred 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 Security Instrument or for filing, registering or recording this Security Instrument, or for complying with all Legal Requirements in all material respects; provided that same shall in no event increase Mortgagor's obligations and liabilities other than to a de minimis extent (provided that no such action shall increase any such monetary obligations or liabilities) or reduce the rights and privileges of Mortgagor other than to a de minimis extent. Mortgagor, within five (5) Business Days following written demand, will execute and deliver, and in the event it shall fail to so execute and deliver, hereby authorizes Mortgagee to execute in the name of Mortgagor or without the signature of Mortgagor to the extent Mortgagee may lawfully do so, one or more financing statements (including, without limitation, initial financing statements and amendments thereto and continuation statements) with or without the signature of Mortgagor as authorized by applicable law, to evidence more effectively the security interest of Mortgagee in the Property. Mortgagor also

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ratifies its authorization for Mortgagee to have filed any like initial financing statements, amendments thereto and continuation statements, if filed prior to the date of this Security Instrument. Upon the occurrence and during the continuance of an Event of Default, 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 without limitation such rights and remedies available to Mortgagee pursuant to this Section 5.2.

Section 5.3 Changes in Tax, Debt, Credit and Documentary Stamp Laws.

(a) If any law is enacted or adopted or amended after the date of this Security Instrument which deducts the Debt from the value of the Property for the purpose of taxation or which imposes a tax, either directly or indirectly, on the Debt or Mortgagee's interest in the Property (other than Excluded Taxes), Mortgagor will pay the tax (other than Excluded Taxes), with interest and penalties thereon, if any. If Mortgagee is advised by counsel chosen by it that the payment of tax by Mortgagor would be unlawful or taxable to Mortgagee or unenforceable, or provide the basis for a defense of usury then, absent manifest error with respect to such conclusion, Mortgagee shall have the option by prior written notice of not less than one hundred twenty (120) days, to declare the Debt due and payable and Mortgagor will repay the same within one hundred twenty (120) days thereafter or such longer period as may be permitted by applicable law (and upon payment of such fees, costs and expenses as shall be provided in the Loan Agreement), without any prepayment penalty or premium.

(b) Mortgagor will not claim or demand or be entitled to any credit or credits on account of the Debt for any part of the Taxes or Other Charges assessed against the Property, or any part thereof, and no deduction shall otherwise be made or claimed from the assessed value of the Property, or any part thereof, for real estate tax purposes by reason of this Security Instrument or the Debt. If such claim, credit or deduction shall be required by law, Mortgagee shall have the option, by prior written notice of not less than one hundred twenty (120) days, to declare the Debt due and payable and Mortgagor will repay the same within one hundred twenty (120) days thereafter or such longer period as may be permitted by applicable law (and upon payment of such fees, costs and expenses as shall be provided in the Loan Agreement), without any prepayment penalty or premium.

(c) If at any time the United States of America, any State thereof or any subdivision of any such State shall require revenue or other stamps to be affixed to the Note, this Security Instrument, or any of the other Loan Documents or impose any other tax or charge on the same, Mortgagor will pay for the same, with interest and penalties thereon, if any.

Section 5.4 Severing, Splitting or Dividing of Mortgage. This Security Instrument and the Note may, at any time until the same shall be fully paid and satisfied, at the sole election of Mortgagee, be severed, split or divided into two or more notes and two or more security instruments as set forth in, and subject to the terms and conditions of, the Loan Agreement.

Section 5.5 Replacement Documents. Within a reasonable period of time after Mortgagor's receipt of an affidavit of an officer of Mortgagee, in form reasonably acceptable to

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Mortgagor, as to the loss, theft, destruction or mutilation of the Note or any other Loan Document which is not of public record, and, in the case of any such mutilation, upon surrender and cancellation of such Note or other Loan Document, Mortgagor will issue, in lieu thereof, at no cost or expense to Mortgagor other than internal, administrative costs, a replacement Note or other Loan Document, dated the date of such lost, stolen, destroyed or mutilated Note or other Loan Document in the same principal amount thereof and in the same form and substance.

ARTICLE 6 – DUE ON SALE/ENCUMBRANCE

Section 6.1 Reserved.

Section 6.2 No Transfer. Mortgagor shall not permit or suffer any Transfer to occur, unless otherwise permitted by the Loan Agreement or unless Mortgagee shall consent thereto in writing.

ARTICLE 7 – RIGHTS AND REMEDIES UPON DEFAULT

Section 7.1 Remedies. Upon the occurrence and during the continuance of any Event of Default, Mortgagor agrees that Mortgagee may, to the extent permitted under applicable law, take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Mortgagor and in and to the Property, including, but not limited to, 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:

- (a) declare the entire unpaid Debt to be immediately due and payable;
- (b) institute proceedings, judicial or otherwise, for the complete foreclosure of this Security Instrument under any applicable provision of law in which case the Property or any interest therein 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;
- (c) 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 Security Instrument for the portion of the Debt then due and payable, subject to the continuing lien and security interest of this Security Instrument for the balance of the Debt not then due, unimpaired and without loss of priority;
- (d) if and to the extent permitted by applicable law, sell for cash or upon credit the Property or any part thereof and all estate, claim, demand, right, title and interest of Mortgagor therein and rights of redemption thereof, pursuant to power of sale or otherwise, 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; and, without limiting the foregoing:
 - (i) in connection with any sale or sales hereunder, Mortgagee shall be entitled to elect to treat any of the Property which consists of (x) a right in action, or (y) property that can be severed from the Real Property covered hereby, or (z) any improvements (without causing structural damage thereto), as if the same were personal

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property, and dispose of the same in accordance with applicable law, separate and apart from the sale of the Real Property. Where the Property consists of Real Property, Personal Property, Equipment or Fixtures, whether or not such Personal Property or Equipment is located on or within the Real Property, Mortgagee shall be entitled to elect to exercise its rights and remedies against any or all of the Real Property, Personal Property, Equipment and Fixtures in such order and manner as is now or hereafter permitted by applicable law;

(ii) Mortgagee shall be entitled to elect to proceed against any or all of the Real Property, Personal Property, Equipment and Fixtures in any manner permitted under applicable law; and if Mortgagee so elects pursuant to applicable law, the power of sale herein granted shall be exercisable with respect to all or any of the Real Property, Personal Property, Equipment and Fixtures covered hereby, as designated by Mortgagee;

(iii) should Mortgagee elect to sell any portion of the Property which is Real Property or which is Personal Property, Equipment or Fixtures that the Mortgagee has elected under applicable law to sell together with Real Property in accordance with the laws governing a sale of the Real Property, Mortgagee shall give such notice of the occurrence of an Event of Default, if any, and its election to sell such Property as may then be required by law. Thereafter, upon the giving of such notice of sale and the expiration of any required time period as may then be required by law, subject to the terms hereof and of the other Loan Documents, and without the necessity of any demand on Mortgagor at the time and place specified in the notice of sale, shall sell such Real Property or part thereof at public auction to the highest bidder for cash in lawful money of the United States. Mortgagee may from time to time postpone any sale hereunder by public announcement thereof at the time and place noticed for any such sale; and

(iv) if the Property consists of several lots, parcels or items of property, Mortgagee shall, subject to applicable law, (A) designate the order in which such lots, parcels or items shall be offered for sale or sold, or (B) elect to sell such lots, parcels or items through a single sale, or through two or more successive sales, or in any other manner Mortgagee designates. Any Person, including Mortgagor or Mortgagee, may purchase at any sale hereunder. Should Mortgagee desire that more than one sale or other disposition of the Property be conducted, Mortgagee shall, subject to applicable law, cause such sales or dispositions to be conducted simultaneously, or successively, on the same day, or at such different days or times and in such order as Mortgagee may designate, and no such sale shall terminate or otherwise affect the lien of this Security Instrument on any part of the Property not sold until all the Debt has been satisfied in full. In the event Mortgagee elects to dispose of the Property through more than one sale, except as otherwise provided by applicable law, Mortgagor agrees to pay the costs and expenses of each such sale and of any judicial proceedings wherein such sale may be made;

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

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(f) recover judgment on the Note either before, during or after any proceedings for the enforcement of this Security Instrument or the other Loan Documents;

(g) apply for the *ex parte* appointment of a receiver, trustee, liquidator or conservator of the Property, without notice to Mortgagor and without regard for the adequacy of the security for the Debt and without regard for the solvency of Mortgagor, any guarantor or indemnitor with respect to the Loan or of any Person liable for the payment of the Debt;

(h) the license granted to Mortgagor under Section 1.2 hereof shall automatically be revoked and Mortgagee, subject to the rights of tenants under the Leases, may enter into or upon the Property, either personally or by its agents, nominees or attorneys and dispossess Mortgagor and its agents and servants therefrom, without liability for trespass, damages or otherwise, and exclude Mortgagor and its agents or servants wholly therefrom, and take possession of the Property and all books, records and accounts relating thereto and Mortgagor agrees to surrender possession of the Property and of such books, records and accounts to Mortgagee upon demand, and thereupon Mortgagee may (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Property and conduct the business thereat; (ii) complete any construction on the Property in such manner and form as Mortgagee deems advisable; (iii) make alterations, additions, renewals, replacements and improvements to or on the Property; (iv) exercise all rights and powers of Mortgagor with respect to the Property, whether in the name of Mortgagor or otherwise, including, without limitation, the right to make, cancel, enforce or modify any Leases, obtain and evict tenants, and demand, sue for, collect and receive all Rents of the Property and every part thereof; (v) 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 such part of the Property as may be occupied by Mortgagor; (vi) require Mortgagor to vacate and surrender possession of the Property to Mortgagee or to such receiver and, in default thereof, Mortgagor may be evicted by summary proceedings or otherwise; and (vii) apply the receipts from the Property to the payment of the Debt and the performance of the Obligations, in such order, priority and proportions as Mortgagee shall deem appropriate in its sole discretion after deducting therefrom all actual out-of-pocket expenses (including reasonable attorneys' fees and costs) incurred in connection with the aforesaid operations and all amounts necessary to pay the Taxes, Other Charges, Insurance Premiums and other expenses in connection with the Property, as well as reasonable compensation for the services of Mortgagee, its counsel, agents and employees;

(i) exercise any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing: (i) the right to take possession of the Fixtures, the Equipment and/or the Personal Property, or any part thereof, and to take such other measures as Mortgagee may deem necessary for the care, protection and preservation of the Fixtures, the Equipment and/or the Personal Property, and (ii) request Mortgagor at its expense to assemble the Fixtures, the Equipment and the Personal Property and make it available to Mortgagee at a convenient place acceptable to Mortgagee. Any notice of sale, disposition or other intended action by Mortgagee with respect to the Fixtures, the Equipment and/or the Personal Property sent to Mortgagor in accordance with the provisions hereof at least thirty (30) days prior to such action, shall constitute commercially reasonable notice to Mortgagor;

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(j) apply any sums then deposited or held in escrow or otherwise by or on behalf of Mortgagee in accordance with the terms of the Loan Agreement, this Security Instrument or any other Loan Document to the payment of the following items in any order in its sole discretion:

- (i) Taxes and Other Charges;
- (ii) Insurance Premiums;
- (iii) Interest on the unpaid principal balance of the Note;
- (iv) Amortization of the unpaid principal balance of the Note; and/or

(v) All other sums payable pursuant to the Note, the Loan Agreement, this Security Instrument and the other Loan Documents, including without limitation, the Yield Maintenance Premium, if applicable, and advances made by Mortgagee pursuant to the terms of this Security Instrument;

- (k) pursue such other remedies as Mortgagee may have under applicable law;

or

(l) apply the undisbursed balance of any Net Proceeds Deficiency deposit, together with interest thereon, to the payment of the Debt in such order, priority and proportions as Mortgagee shall deem to be appropriate in its sole and absolute discretion.

In the event of a sale, by foreclosure, power of sale or otherwise, of less than all of the Property, this Security Instrument shall continue as a Lien and security interest on the remaining portion of the Property unimpaired and without loss of priority.

Section 7.2 Application of Proceeds. The purchase money, proceeds and avails of any disposition of the Property, and/or any part thereof, or any other sums collected by Mortgagee pursuant to the Note, this Security Instrument or the other Loan Documents, upon the occurrence and during the continuance of an Event of Default, may be applied by Mortgagee to the payment of the Debt in such priority and proportions as Mortgagee in its discretion shall deem proper.

Section 7.3 Right to Cure Defaults. Upon the occurrence and during the continuance of any Event of Default, Mortgagee may, but without any obligation to do so and without notice to or demand on Mortgagor (except as may be required by the Loan Documents) and without releasing Mortgagor from any obligation hereunder, make any payment or do any act required of Mortgagor hereunder in such manner and to such extent as Mortgagee may deem reasonably necessary to protect the security hereof provided that, Mortgagee shall endeavor to provide notice to Mortgagor prior to taking any action under this Section 7.3 other than actions as are necessary or appropriate in order for Mortgagee to protect the Property, any other collateral or any portion thereof. Upon the occurrence and during the continuance of any Event of Default, subject to the rights of tenants under the Leases, Mortgagee is authorized to enter upon the Property for such purposes, or appear in, defend, or bring any action or proceeding to protect its interest in the Property or to foreclose this Security Instrument or collect the Debt, and

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the actual out-of-pocket cost and expense thereof (including reasonable attorneys' fees and expenses to the extent permitted by law), with interest as provided in this Section 7.3, shall constitute a portion of the Debt and shall be due and payable to Mortgagee upon demand. All such costs and expenses incurred by Mortgagee in remedying any Event of Default or in appearing in, defending, or bringing any such action or proceeding shall bear interest at the Default Rate in accordance with the Loan Agreement and shall be deemed to constitute a portion of the Debt and be secured by this Security Instrument and the other Loan Documents and shall be immediately due and payable upon demand by Mortgagee therefor.

Section 7.4 Actions and Proceedings. Subject to the terms of the Loan Agreement, Mortgagee has the right to appear in and defend any action or proceeding brought with respect to the Property and, upon the occurrence and during the continuance of any Event of Default, to bring any action or proceeding, in the name and on behalf of Mortgagor, which Mortgagee, in its discretion, decides should be brought to protect its interest in the Property.

Section 7.5 Recovery of Sums Required to be Paid. Upon the occurrence and during the continuance of an Event of Default, Mortgagee shall have the right from time to time to take action to recover any sum or sums which constitute a part of the Debt as the same become due, without regard to whether or not the balance of the Debt shall be due, and without prejudice to the right of Mortgagee thereafter to bring an action of foreclosure, or any other action, for any Event of Default by Mortgagor existing at the time such earlier action was commenced.

Section 7.6 Reserved.

Section 7.7 Other Rights, Etc. (a) The failure of Mortgagee to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Security Instrument. Mortgagor shall not be relieved of Mortgagor's obligations hereunder by reason of (i) the failure of Mortgagee to comply with any request of Mortgagor or any Guarantor to take any action to foreclose this Security Instrument or otherwise enforce any of the provisions hereof or of the Note or the other Loan Documents, (ii) the release, regardless of consideration, of the whole or any part of the Property, or of any Person liable for the Obligations or any portion thereof, or (iii) any agreement or stipulation by Mortgagee extending the time of payment or otherwise modifying or supplementing the terms of the Note, this Security Instrument or the other Loan Documents.

(b) It is agreed that the risk of loss or damage to the Property is on Mortgagor, and prior to Mortgagee becoming a "mortgagee in possession," Mortgagee shall have no liability whatsoever for decline in value of the Property, for failure to maintain the Policies, or for failure to determine whether insurance in force is adequate as to the amount of risks insured. Possession by Mortgagee shall not be deemed an election of judicial relief, if any such possession is requested or obtained, with respect to any Property or collateral not in Mortgagee's possession.

(c) Upon the occurrence and during the continuance of an Event of Default, Mortgagee may resort for the payment of the Debt and the performance of the Obligations to any other security held by Mortgagee in such order and manner as Mortgagee, in its discretion, may elect. Upon the occurrence and during the continuance of an Event of Default, Mortgagee may take action to recover the Debt, or any portion thereof, or to enforce the Obligations or any

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covenant hereof without prejudice to the right of Mortgagee thereafter to foreclose this Security Instrument. The rights of Mortgagee under this Security Instrument shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Mortgagee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision. Mortgagee shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every right and remedy now or hereafter afforded at law or in equity.

Section 7.8 Right to Release Any Portion of the Property. Upon the occurrence and during the continuance of an Event of Default, Mortgagee may release any portion of the Property for such consideration as Mortgagee may require without, as to the remainder of the Property, in any way impairing or affecting the lien or priority of this Security Instrument, or improving the position of any subordinate lienholder with respect thereto, except to the extent that the obligations hereunder shall have been reduced by the actual monetary consideration, if any, received by Mortgagee for such release, and may accept by assignment, pledge or otherwise any other property in place thereof as Mortgagee may require without being accountable for so doing to any other lienholder. In such case, this Security Instrument shall continue as a lien and security interest in the remaining portion of the Property.

Section 7.9 Recourse and Choice of Remedies. Notwithstanding any other provision of this Security Instrument or the Loan Agreement, Mortgagee and other Indemnified Parties are entitled to enforce the Obligations of Mortgagor with respect to the Loan contained in Article 9 herein without first resorting to or exhausting any security or collateral and without first having recourse to the Note or any of the Property, through foreclosure, exercise of a power of sale or acceptance of a deed in lieu of foreclosure or otherwise, and in the event Mortgagee commences a foreclosure action against the Property or exercises its power of sale pursuant to this Security Instrument, Mortgagee is entitled to pursue a deficiency judgment with respect to such obligations against Mortgagor with respect to the Loan. The provisions of Article 9 hereof are exceptions to any non-recourse or exculpation provisions in the Loan Agreement, the Note, this Security Instrument or the other Loan Documents, and Mortgagor is fully and personally liable for the obligations set forth in said Article 9 hereof. The liability of Mortgagor with respect to the Loan pursuant to Article 9 hereof is not limited to the original principal amount of the Note. Notwithstanding the foregoing, nothing herein shall inhibit or prevent Mortgagee from foreclosing or exercising its power of sale pursuant to this Security Instrument or exercising any other rights and remedies pursuant to the Loan Agreement, the Note, this Security Instrument and the other Loan Documents, whether simultaneously with foreclosure proceedings or in any other sequence. A separate action or actions may be brought and prosecuted against Mortgagor pursuant to Article 9 hereof whether or not an action is brought against any other Person and whether or not any other Person is joined in such action or actions. In addition, Mortgagee shall have the right but not the obligation to join and participate in, as a party if it so elects, any administrative or judicial proceedings or actions initiated in connection with any matter addressed in the Environmental Indemnity.

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ARTICLE 8 – RESERVED

ARTICLE 9 – INDEMNIFICATION

Section 9.1 General Indemnification. The provisions of Sections 2.11(c) and 10.13 of the Loan Agreement are hereby incorporated by reference.

ARTICLE 10 – WAIVERS

Section 10.1 Waiver of Counterclaim. To the extent permitted by applicable law, Mortgagor hereby waives the right to assert a counterclaim, other than a mandatory or compulsory counterclaim, in any action or proceeding brought against it by Mortgagee arising out of or in any way connected with this Security Instrument, the Loan Agreement, the Note, any of the other Loan Documents, or the Obligations.

Section 10.2 Marshalling and Other Matters. To the extent permitted by applicable law, Mortgagor hereby waives 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 Property or any part thereof or any interest therein. Further, to the extent permitted by applicable law, Mortgagor hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Security Instrument on behalf of Mortgagor, and on behalf of each and every Person acquiring any interest in or title to the Property subsequent to the date of this Security Instrument and on behalf of all persons to the extent permitted by applicable law.

Section 10.3 Waiver of Notice. To the extent permitted by applicable law, Mortgagor shall not be entitled to any notices of any nature whatsoever from Mortgagee except with respect to matters for which this Security Instrument, the Loan Agreement or any of the other Loan Documents specifically and expressly provides for the giving of notice by Mortgagee to Mortgagor and except with respect to matters for which Mortgagee is required by applicable law to give notice, and Mortgagor hereby expressly waives the right to receive any notice from Mortgagee with respect to any matter for which this Security Instrument, the Loan Agreement or any of the other Loan Documents does not specifically and expressly provide for the giving of notice by Mortgagee to Mortgagor.

Section 10.4 Reserved.

Section 10.5 Waiver of Jury Trial. EACH OF MORTGAGOR AND MORTGAGEE HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND EACH FOREVER WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THE NOTE, THIS SECURITY INSTRUMENT OR OTHER LOAN DOCUMENTS, 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 MORTGAGEE AND 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 AND MORTGAGOR ARE HEREBY

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AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY MORTGAGOR AND MORTGAGEE.

Section 10.6 Survival. The indemnifications made pursuant to Article 9 herein shall continue indefinitely in full force and effect and shall survive and shall in no way be impaired by: any satisfaction, release or other termination of this Security Instrument or, any other Loan Document; the assignment or other transfer of all or any portion of this Security Instrument, or any other Loan Document or Mortgagee's interest in the Property (but, in such case, shall benefit both the Indemnified Parties and any assignee or transferee), any exercise of Mortgagee's rights and remedies pursuant hereto including but not limited to foreclosure or acceptance of a deed in lieu of foreclosure, any exercise of any rights and remedies pursuant to the Loan Agreement, the Note or any of the other Loan Documents, any transfer of all or any portion of the Property (whether by Mortgagor or by Mortgagee following foreclosure or acceptance of a deed in lieu of foreclosure or at any other time), any amendment to this Security Instrument, the Loan Agreement, the Note or the other Loan Documents, and any act or omission that might otherwise be construed as a release or discharge of Mortgagor from the Obligations or any portion thereof.

ARTICLE 11 – INTENTIONALLY OMITTED

ARTICLE 12 – NOTICES

All notices or other written communications hereunder shall be delivered in accordance with Section 10.6 of the Loan Agreement.

ARTICLE 13 – APPLICABLE LAW

Section 13.1 GOVERNING LAW. WITH RESPECT TO MATTERS RELATING TO THE ATTACHMENT, CREATION, PERFECTION AND PROCEDURES RELATING TO THE ENFORCEMENT OF THE LIENS CREATED PURSUANT TO THIS SECURITY INSTRUMENT, THIS SECURITY INSTRUMENT AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE IN WHICH THE LAND IS LOCATED (WITHOUT REGARD TO PRINCIPLES OF CONFLICT LAWS) AND ANY APPLICABLE LAW OF THE UNITED STATES OF AMERICA. IT BEING UNDERSTOOD THAT, EXCEPT AS EXPRESSLY SET FORTH 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 PRINCIPLES OF CONFLICT LAWS) SHALL GOVERN ALL MATTERS RELATING TO THIS SECURITY INSTRUMENT 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 PURSUANT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW.

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Section 13.2 Usury Laws. Notwithstanding anything to the contrary contained herein, (a) all agreements and communications between Mortgagor and Mortgagee are hereby and shall automatically be limited so that, after taking into account all amounts deemed interest, the interest contracted for, charged or received by Mortgagee shall never exceed the Maximum Legal Rate or the maximum lawful rate or amount, (b) in calculating whether any interest exceeds the Maximum Legal Rate, all such interest shall be amortized, prorated, allocated and spread over the full amount and term of all principal indebtedness of Mortgagor to Mortgagee, and (c) if through any contingency or event, Mortgagee receives or is deemed to receive interest in excess of the Maximum Legal Rate, any such excess shall be deemed to have been applied toward payment of the principal of any and all then outstanding indebtedness of Mortgagor to Mortgagee, or if there is no such indebtedness, shall immediately be returned to Mortgagor.

Section 13.3 Provisions Subject to Applicable Law. All rights, powers and remedies provided in this Security Instrument may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law and are intended to be limited to the extent necessary so that they will not render this Security Instrument invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law. If any term of this Security Instrument or any application thereof shall be invalid or unenforceable, the remainder of this Security Instrument and any other application of the term shall not be affected thereby.

ARTICLE 14 – DEFINITIONS

All capitalized terms not defined herein shall have the respective meanings set forth in the Loan Agreement. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Security Instrument may be used interchangeably in singular or plural form and the word “**Mortgagor**” shall mean “Mortgagor and any subsequent owner or owners of the Property or any part thereof or any interest therein,” the word “**Mortgagee**” shall mean “Mortgagee and any successor under the Loan Agreement and each and any subsequent holder(s) of the Note or any part thereof,” the word “**Note**” shall mean “the Note and any other evidence of indebtedness secured by this Security Instrument,” the word “**Property**” shall include any portion of the Property and any interest therein, and the phrases “**attorneys’ fees**”, “**legal fees**” and “**counsel fees**” shall include any and all reasonable out-of-pocket attorneys’, paralegal and law clerk fees and disbursements in connection with work performed by retained law firms (and excluding any “in-house” attorneys’ fees), including, but not limited to, fees and disbursements at the pre-trial, trial and appellate levels incurred or paid by Mortgagee in protecting its interest in the Property, the Leases and the Rents and enforcing its rights hereunder.

ARTICLE 15 – MISCELLANEOUS PROVISIONS

Section 15.1 No Oral Change. This Security Instrument, and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Mortgagor or Mortgagee, but only by an agreement in writing signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

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Section 15.2 Successors and Assigns. This Security Instrument shall be binding upon and inure to the benefit of Mortgagor and Mortgagee and their respective successors and permitted assigns, as set forth in the Loan Agreement. Mortgagee shall have the right to assign or transfer its rights under this Security Instrument in connection with any assignment of the Loan and the Loan Documents, subject to and in accordance with the terms of the Loan Agreement.

Section 15.3 Inapplicable Provisions. If any term, covenant or condition of the Loan Agreement, the Note or this Security Instrument is held to be invalid, illegal or unenforceable in any respect, the Loan Agreement, the Note and this Security Instrument shall be construed without such provision.

Section 15.4 Headings, etc. The headings and captions of various Sections of this Security Instrument 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.

Section 15.5 Number and Gender. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

Section 15.6 Subrogation. If any or all of the proceeds of the Note have been used to extinguish, extend or renew any indebtedness heretofore existing against the Property, then, to the extent of the funds so used, Mortgagee shall be subrogated to all of the rights, claims, liens, titles, and interests existing against the Property heretofore held by, or in favor of, the holder of such indebtedness and such former rights, claims, liens, titles, and interests, if any, are not waived but rather are continued in full force and effect in favor of Mortgagee and are merged with the lien and security interest created herein as cumulative security for the repayment of the Debt, the performance and discharge of Mortgagor's obligations hereunder, under the Loan Agreement, the Note and the other Loan Documents and the performance and discharge of the Other Obligations.

Section 15.7 Entire Agreement. The Note, the Loan Agreement, this Security Instrument and the other Loan Documents constitute the entire understanding and agreement between Mortgagor and Mortgagee with respect to the transactions arising in connection with the Obligations and supersede all prior written or oral understandings and agreements between Mortgagor and Mortgagee with respect thereto. Mortgagor hereby acknowledges that, except as incorporated in writing in the Note, the Loan Agreement, this Security Instrument and the other Loan Documents, there are not, and were not, and no Persons are or were authorized by Mortgagee to make, any representations, understandings, stipulations, agreements or promises, oral or written, with respect to the transaction which is the subject of the Note, the Loan Agreement, this Security Instrument and the other Loan Documents.

Section 15.8 Exculpation. The provisions of Section 3.1 of the Loan Agreement are hereby incorporated by reference into this Security Instrument to the same extent and with the same force as if fully set forth herein.

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Section 15.9 Loan Agreement. This Security Instrument is made pursuant to a Loan Agreement between the Mortgagor and Mortgagee bearing even date herewith, and this Security Instrument is subject to all of the provisions of the Loan Agreement including, without limitation, the provisions thereof entitling Mortgagee to declare the entire indebtedness secured hereby to be immediately due and payable, all of which provisions are incorporated herein with the same force and with like effect as if they were fully set forth herein at length and made a part hereof. In the event of any inconsistency or conflict between the terms of this Security Instrument and the terms of the Loan Agreement, the terms of the Loan Agreement shall govern and control.

ARTICLE 16 – STATE-SPECIFIC PROVISIONS

Section 16.1 Principles of Construction. In the event of any inconsistencies between the terms and conditions of this Article 16 and the other terms and conditions of this Security Instrument, the terms and conditions of this Article 16 shall control and be binding.

Section 16.2 Maximum Debt Secured. Notwithstanding anything contained herein to the contrary, the maximum amount of principal indebtedness secured by this Security Instrument at execution or which under any contingency may become secured hereby at any time hereafter is \$208,000,000.00 plus all amounts expended by Mortgagee to enforce, defend and/or maintain the lien of this Security Instrument or to protect the Property encumbered hereby, or the value thereof, including, without limitation, all amounts in respect of insurance premiums and all real estates taxes, charges or assessments imposed by law upon the Property (other than Excluded Taxes), or any other amount, cost or charge to which Mortgagee may become subrogated upon payment as a result of Mortgagor's failure to pay as required by the terms of this Security Instrument plus all accrued but unpaid interest on the obligations secured hereby.

Section 16.3 In Rem Proceedings. Supplementing Section 7.1 hereof, mortgage foreclosures and other *In Rem* proceedings against Mortgagor may be brought in Cook County, Illinois or any federal court of competent jurisdiction in Illinois.

Section 16.4 Remedies Against Other Collateral. Mortgagor hereby acknowledges that certain Loan Documents other than this Security Instrument create liens on collateral located in counties and states other than the counties and state in which the Land is located. Mortgagor further acknowledges that this Security Agreement and the other Loan Documents are cross-defaulted and the Loan secured hereby is also secured by the other Loan Documents. Mortgagor agrees that Mortgagee 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 shall preclude or bar enforcement in the State of Illinois or 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.

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Section 16.5 Business Loan. Mortgagor represents and warrants to Mortgagee that the proceeds of the Debt secured hereby shall be used solely for business purposes and in furtherance of the regular business affairs of Mortgagor, and the entire principal obligation secured by this Security Instrument constitutes (i) a “business loan” as that term is defined in, and for all purposes of, 815 ILCS 205/4(c) and (ii) a “loan secured by a mortgage on real estate” within the purview and operation of 815 ILCS 205/4(l).

Section 16.6 Collateral Protection Act. Pursuant to the terms of the Collateral Protection Act, 815 ILCS 180/1 et seq., Mortgagor is hereby notified that unless Mortgagor provides Mortgagee with evidence of the insurance coverage required by the Loan Documents, Mortgagee may purchase insurance at Mortgagor’s expense to protect Mortgagee’s interests in the Property, which insurance may, but need not, protect the interests of Mortgagor. The coverage purchased by Mortgagee may not pay any claim made by Mortgagor or any claim made against Mortgagor in connection with the Property. Mortgagor may later cancel any insurance purchased by Mortgagee, but only after providing Mortgagee with evidence that Mortgagor has obtained the insurance as required hereunder. If Mortgagee purchases insurance for the Property, Mortgagor will be responsible for the costs of such insurance, including interest and any other charges imposed 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 Obligations secured hereby. The costs of such insurance may be greater than the cost of insurance Mortgagor may be able to obtain for itself.

Section 16.7 Illinois Mortgage Foreclosure Law. It is the intention of Mortgagor and Mortgagee that the enforcement of the terms and provisions of this Security Instrument shall be accomplished in accordance with the Illinois Mortgage Foreclosure Law (the “Act”), 735 ILCS 5/15-1101, et seq., and with respect to such Act, Mortgagor agrees and covenants that:

(a) Mortgagor and Mortgagee shall have the benefit of all of the provisions of the Act, including all amendments thereto which may become effective from time to time after the date hereof. In the event any provision of the Act which is specifically referred to herein may be repealed, 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. If any provision in this Mortgage shall be inconsistent with any provision of the Act, 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 (including Mortgagee acting as a mortgagee-in-possession) or a receiver, any powers, rights or remedies prior to or upon the occurrence and during the continuance of an Event of Default, which are more limited than the powers, rights or remedies that would otherwise be vested in Mortgagee or in such receiver under the Act in the absence of said provision, Mortgagee and such receiver shall be vested with the powers, rights and remedies granted in the Act to the full extent permitted by law. Without limiting the generality of the foregoing, all expenses incurred by Mortgagee, whether incurred before or after any decree or judgment of foreclosure, and

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whether or not enumerated in this Mortgage, shall be added to the Obligations and shall have the benefit of all applicable provisions of the Act;

(b) Wherever provision is made in this Security Instrument or the Loan Agreement for insurance policies to bear mortgagee 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 judgment of foreclosure, all such rights and powers of Mortgagee shall continue in Lender as judgment creditor or mortgagee until confirmation of sale;

(c) All advances, disbursements and expenditures made or incurred by Mortgagee before and during a foreclosure, and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by the Security Instrument or the Loan Agreement 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 indebtedness secured by this Security Instrument, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the rate of interest payable after default under the terms of the Loan Agreement. This Security Instrument shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Security Instrument is recorded pursuant to Subsection (b)(5) of Section 5/15-1302 of the Act;

(d) In addition to any provision of this Security Instrument authorizing Mortgagee to take or be placed in possession of the 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 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 Security Instrument, all rights, powers, immunities, and duties as provided for in Sections 5/15-1701, 5/15-1703 and 5/15-1704 of the Act; and

(e) Mortgagor acknowledges that the 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.

(f) 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 Mortgagor and of all other persons are and shall be deemed to be hereby waived to the full

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extent permitted by the provisions of Section 5/15-1601 of the Act or other applicable law or replacement statutes.

(g) Mortgagee is obligated under the terms of the Loan Agreement to make advances as provided therein, and Mortgagor acknowledges and intends that all such advances, including future advances whenever hereafter made, shall be a lien from the time this Mortgage is recorded, as provided in Section 15-1302(b)(1) of the Act. Mortgagor covenants and agrees that this Mortgage shall secure the payment of all advances made pursuant to the terms and provisions of the Loan Agreement, whether such advances are made as of the date hereof or at any time in the future, and whether such future advances are obligatory or are to be made at the option of Mortgagee or otherwise (but not advances or loans made more than 20 years after the date hereof), to the same extent as if such future advances were made on the date of the execution of this Mortgage and although there may be no advances made at the time of the execution of this Mortgage and although there may be no other indebtedness outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all Obligations, including future advances, from the time of its filing of record in the office of the Recorder of Deeds of the County in which the Property is located. The total amount of the Obligations may increase or decrease from time to time, but the total unpaid principal balance of the Obligations (including disbursements which Mortgagee may make under this Mortgage or any other document or instrument evidencing or securing the Mortgage) at any time outstanding shall not exceed the amount referred to in the granting clause of this Mortgage. This Mortgage shall be valid and shall have priority over all subsequent liens and encumbrances, including statutory liens, except taxes and assessments levied on the Property, to the extent of the maximum amount secured hereby.

[NO FURTHER TEXT ON THIS PAGE]

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IN WITNESS WHEREOF, THIS SECURITY INSTRUMENT has been executed by Mortgagor as of the day and year first above written.

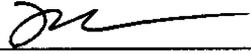
MORTGAGOR:

AGJ 2WD OWNER 1 LLC,
a Delaware limited liability company

By: **AGJ 2WD PARENT LLC,**
a Delaware limited liability company,
its sole member

By: **AGJ 2WD HOLDINGS LLC,**
a Delaware limited liability company,
its sole member

By: **AG REAL ESTATE MANAGER, INC.,**
a Delaware corporation,
its manager

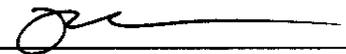
By: 
Name: **Ryan Klenovich**
Title: **Vice President**

AGJ 2WD OWNER 2 LLC,
a Delaware limited liability company

By: **AGJ 2WD PARENT LLC,**
a Delaware limited liability company,
its sole member

By: **AGJ 2WD HOLDINGS LLC,**
a Delaware limited liability company,
its sole member

By: **AG REAL ESTATE MANAGER, INC.,**
a Delaware corporation,
its manager

By: 
Name: **Ryan Klenovich**
Title: **Vice President**

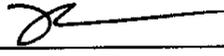
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AGJ 2WD OWNER 3 LLC,
a Delaware limited liability company

By: **AGJ 2WD PARENT LLC,**
a Delaware limited liability company,
its sole member

By: **AGJ 2WD HOLDINGS LLC,**
a Delaware limited liability company,
its sole member

By: **AG REAL ESTATE MANAGER, INC.,**
a Delaware corporation,
its manager

By: 
Name: **Ryan Klenovich**
Title: **Vice President**

AGJ 2WD OWNER 4 LLC,
a Delaware limited liability company

By: **AGJ 2WD PARENT LLC,**
a Delaware limited liability company,
its sole member

By: **AGJ 2WD HOLDINGS LLC,**
a Delaware limited liability company,
its sole member

By: **AG REAL ESTATE MANAGER, INC.,**
a Delaware corporation,
its manager

By: 
Name: **Ryan Klenovich**
Title: **Vice President**

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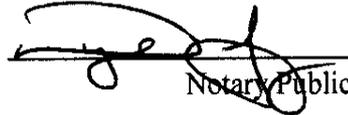
ACKNOWLEDGMENT

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 7TH day of MARCH in the year 2016 before me, the undersigned, a Notary Public in and for said State, personally appeared RYAN KLENOVICH, personally known to me or proved to me on the basis of satisfactory evidence to be the individual 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 individual, or the person upon behalf of which the individual acted, executed the instrument.

(Notarial Seal)

WYNNE FONG
Notary Public, State of New York
No. 01FO6019224
Qualified in New York County
Commission Expires Feb. 1, 2019

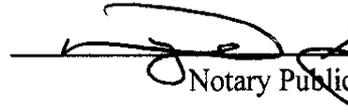

Notary Public

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 7TH day of MARCH in the year 2016 before me, the undersigned, a Notary Public in and for said State, personally appeared RYAN KLENOVICH, personally known to me or proved to me on the basis of satisfactory evidence to be the individual 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 individual, or the person upon behalf of which the individual acted, executed the instrument.

(Notarial Seal)

WYNNE FONG
Notary Public, State of New York
No. 01FO6019224
Qualified in New York County
Commission Expires Feb. 1, 2019


Notary Public

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EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1:

Units (see below) in Walton on the Park South Condominium, as delineated on the Plat attached to Declaration of Condominium recorded May 27, 2010 as Document Number 1014716029, as amended from time to time, being located on Lot 5 in Walton on the Park Subdivision, recorded September 10, 2008 as Document Number 0825418053, in the East Half of the Southeast Quarter of Section 4 and in the South Fractional Half of Section 3, all in Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois, which survey is attached to the Declaration of Condominium made by Walton on the Park South, LLC, an Illinois limited liability company and recorded in the Office of the Recorder of Deeds of Cook County, Illinois as amended by First Amendment recorded July 19, 2010 as Document Number 1020039084, and re-recorded on August 18, 2010 as Document Number 1023010047, and Amendment recorded October 17, 2011 as Document Number 1129029068, together with its undivided interest in the common elements in Cook County, Illinois.

Schedule of Units for Parcel 1 Description

Tax Lot	Unit
17-04-435-034-1001	301
17-04-435-034-1003	303
17-04-435-034-1004	304
17-04-435-034-1005	401
17-04-435-034-1006	402
17-04-435-034-1007	403
17-04-435-034-1008	404

17-04-435-034-1009	501
17-04-435-034-1010	502
17-04-435-034-1011	503
17-04-435-034-1013	601
17-04-435-034-1014	602
17-04-435-034-1015	603
17-04-435-034-1016	604
17-04-435-034-1018	702
17-04-435-034-1020	704
17-04-435-034-1022	802
17-04-435-034-1023	803
17-04-435-034-1024	804
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17-04-435-034-1030	902
17-04-435-034-1031	903

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17-04-435-034-1034 906
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17-04-435-034-1040 1004
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17-04-435-034-1042 1006
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Also, the following easement parcels shown below for the benefit of Lot 5 in Walton on the Park Subdivision, aforesaid;

Non-exclusive permanent encroachment easement, as described in Temporary Construction Easements and Easements for Permanent Encroachments recorded March 19, 2009 as Document Number 0907822026.

Non-exclusive Grant of easement for encroachment of connection devices as described in Declaration of Easements for Mutual Encroachments and Maintenance of Facilities: Walton Mansions and Walton South recorded March 19, 2009 as Document Number 0907822030.

Non-exclusive easements described in Declaration of Covenants, Conditions Restrictions and Easements: Reciprocal Easement Agreement recorded May 27, 2010 as Document Number 1014716028, as further affected by the Amendment to Declaration of Covenants, Conditions, Restrictions and Easements: Reciprocal Easement Agreement, to be recorded simultaneously herewith.

Non-exclusive easements for access, construction, encroachment, installation and maintenance of connection devices, as described in Declaration of Easements for Access, Construction, Encroachments and Shared Facilities, recorded May 11, 2010 as Document Number 1013118085, and the terms and conditions thereof, as amended by First Amendment to Declaration of Easements for Access, Construction Encroachments and Shared Facilities recorded April 30, 2015 as Document No. 1512041141.

Parcel 2:

Unit 3107 in Walton on the Park South Condominium, as delineated on the Plat attached to Declaration of Condominium recorded May 27, 2010 as Document Number 1014716029, as amended from time to time, being located on Lot 5 in Walton on the Park Subdivision, recorded September 10, 2008 as Document Number 0825418053, in the East Half of the Southeast Quarter of Section 4 and in the South Fractional Half of Section 3, all in Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois, which survey is attached to the Declaration of Condominium made by Walton on the Park South, LLC, an Illinois limited liability company and recorded in the Office of the Recorder of Deeds of Cook County, Illinois as amended by First Amendment recorded July 19, 2010 as Document Number 1020039084, and re-recorded on August 18, 2010 as Document Number 1023010047, and Amendment recorded October 17, 2011 as Document Number 1129029068, together with its undivided interest in the common elements in Cook County, Illinois. Tax ID No. 17-04-435-034-1201.

Also the following easement parcels shown below for the benefit of Lot 5 in Walton on the Park Subdivision, aforesaid;

Non-exclusive permanent encroachment easement, as described in Temporary Construction Easements and Easements for Permanent Encroachments recorded March 19, 2009 as Document Number 0907822026.

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Non-exclusive Grant of easement for encroachment of connection devices as described in Declaration of Easements for Mutual Encroachments and Maintenance of Facilities: Walton Mansions and Walton South recorded March 19, 2009 as Document Number 0907822030.

Non-exclusive easements as described in Declaration of Covenants, Conditions Restrictions and Easements: Reciprocal Easement Agreement recorded May 27, 2010 as Document Number 1014716028, , as further affected by the Amendment to Declaration of Covenants, Conditions, Restrictions and Easements: Reciprocal Easement Agreement, to be recorded simultaneously herewith.

Non-exclusive easements for access, construction, encroachment, installation and maintenance of connection devices, as described in Declaration of Easements for Access, Construction, Encroachments and Shared Facilities, recorded May 11, 2010 as Document Number 1013118085, and the terms and conditions thereof, as amended by First Amendment to Declaration of Easements for Access, Construction, Encroachments and Shared Facilities recorded April 30, 2015 as Document No. 1512041141.

Parcel 3:

Unit 302 in Walton on the Park South Condominium, as delineated on the Plat attached to Declaration of Condominium recorded May 27, 2010 as Document Number 1014716029, as amended from time to time, being located on Lot 5 in Walton on the Park Subdivision, recorded September 10, 2008 as Document Number 0825418053, in the East Half of the Southeast Quarter of Section 4 and in the South Fractional Half of Section 3, all in Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois, which survey is attached to the Declaration of Condominium made by Walton on the Park South, LLC, an Illinois limited liability company and recorded in the office of the Recorder of Deeds of Cook County, Illinois as amended by First Amendment recorded July 19, 2010 as Document Number 1020039084, and re-recorded on August 18, 2010 as Document Number 1023010047, and Amendment recorded October 17, 2011 as Document Number 1129029068, together with its undivided interest in the common elements in Cook County, Illinois. Tax ID No. 17-04-435-034-1002.

Also, the following easement parcels shown below for the benefit of Lot 5 in Walton on the Park Subdivision, aforesaid;

Non-exclusive permanent encroachment easement, as described in Temporary Construction Easements and Easements for Permanent Encroachments recorded March 19, 2009 as Document Number 0907822026.

Non-exclusive Grant of easement for encroachment of connection devices as described in Declaration of Easements for Mutual Encroachments and Maintenance of Facilities: Walton Mansions and Walton South recorded March 19, 2009 as Document Number 0907822030.

Non-exclusive easements as described in Declaration of Covenants, Conditions Restrictions and Easements: Reciprocal Easement Agreement recorded May 27, 2010 as Document Number 1014716028, as further affected by the Amendment to Declaration of Covenants, Conditions, Restrictions and Easements: Reciprocal Easement Agreement, to be recorded simultaneously herewith.

Non-exclusive easements for access, construction, encroachment, installation, and maintenance of connection devices, as described in Declaration of Easements for Access, Construction, Encroachments and Shared Facilities, recorded May 11, 2010 as Document Number 1013118085, and the terms and conditions thereof, as amended by First Amendment to Declaration of Easements for Access, Construction, Encroachments and Shared Facilities recorded April 30, 2015 as Document No. 1512041141.

Parcel 4:

Unit 1402 in Walton on the Park South Condominium, as delineated on the Plat attached to Declaration of Condominium recorded May 27, 2010 as Document Number 1014716029, being located on Lot 5 in Walton on the Park Subdivision, recorded September 10, 2008 as Document Number 0825418053, as amended in the East Half of the Southeast Quarter of Section 4 and in the South Fractional Half of Section 3, all in Township 39 North, Range

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14 East of the Third Principal Meridian, in Cook County, Illinois, which survey is attached to the Declaration of Condominium made by Walton on the Park South, LLC, an Illinois limited liability company and recorded in the office of the Recorder of Deeds of Cook County, Illinois as amended by First Amendment recorded July 19, 2010 as Document Number 1020039084, and re-recorded on August 18, 2010 as Document Number 1023010047, and Amendment recorded October 17, 2011 as Document Number 1129029068, together with its undivided interest in the common elements in Cook County, Illinois. Tax ID No. 17-04-435-034-1070.

Also, the following easement parcels shown below for the benefit of Lot 5 in Walton on the Park Subdivision, aforesaid;

Non-exclusive permanent encroachment easement, as described in Temporary Construction Easements and Easements for Permanent Encroachments recorded March 19, 2009 as Document Number 0907822026.

Non-exclusive Grant of easement for encroachment of connection devices as described in Declaration of Easements for Mutual Encroachments and Maintenance of Facilities: Walton Mansions and Walton South recorded March 19, 2009 as Document Number 0907822030.

Non-exclusive easements described in Declaration of Covenants, Conditions Restrictions and Easements: Reciprocal Easement Agreement recorded May 27, 2010 as Document Number 1014716028, as further affected by the Amendment to Declaration of Covenants, Conditions, Restrictions and Easements: Reciprocal Easement Agreement, to be recorded simultaneously herewith.

Non-exclusive easements for access, construction, encroachment, installation and maintenance of connection devices, as described in Declaration of Easements for Access, Construction, Encroachments and Shared Facilities, recorded May 11, 2010 as Document Number 1012113085, and the terms and conditions thereof, as amended by First Amendment to Declaration of Easements for Access, Construction, Encroachments and Shared Facilities recorded April 30, 2015 as Document No. 1512041141.

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