

Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 1611619114 Fee: \$86.00
RHSP Fee:\$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 04/25/2016 11:06 AM Pg: 1 of 25

8981338 1/2 2016

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN:** 16-33-322-010-0000

Address:

Street: 3501 S Laramie

Street line 2:

City: Cicero

State: IL

ZIP Code: 60804

Lender: Signature Bank

Borrower: Carey Heirs Properties, LLC

Loan / Mortgage Amount: \$6,300,000.00

This property is located within the program area and is exempt from the requirements of 765 ILCS 77/70 et seq. because it is commercial property.

Certificate number: 28FFB4C0-149E-41F4-A95C-E7837099EEED

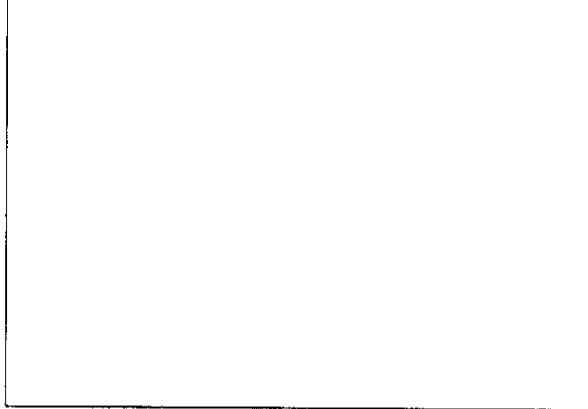
Execution date: 4/19/2016

R4

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***THIS INSTRUMENT WAS PREPARED BY AND
AFTER RECORDING SHOULD BE RETURNED
TO:***

John T. McEnroe (SSS)
Vedder, Price P.C.
222 North LaSalle Street, Suite 2600
Chicago, Illinois 60601-1003



Recorder's Use Only

Property of Cook County Clerk's Office

MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

by

CAREY HEIRS PROPERTIES, LLC

in favor of

SIGNATURE BANK

Dated: April 20, 2016

ATTENTION COUNTY RECORDER: This Mortgage covers goods that are or are to become affixed to or fixtures on the land described in Exhibit A hereto and is to be filed for record in the records where mortgages on real estate are recorded. Additionally, this instrument should be appropriately indexed, not only as a mortgage, but also as a fixture filing covering goods that are or are to become fixtures on the real property described herein. The mailing addresses of Mortgagor (Debtor) and Mortgagee (Secured Party) are set forth in the Preamble of this Mortgage. This instrument contains, inter alia, obligations that may provide for a variable rate of interest.

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MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING (3501 S. Laramie Avenue, Cicero, Illinois 60804)

This MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made as of the 20th day of April, 2016, by CAREY HEIRS PROPERTIES, LLC, an Illinois limited liability company, having an address at 3501 South Laramie Avenue, Cicero, Illinois 60804 ("Mortgagor"), in favor of SIGNATURE BANK, an Illinois banking association, having an office at 9701 W. Higgins Road, Suite 500, Rosemont, Illinois 60018 ("Mortgagee").

WITNESSETH:

WHEREAS, Mortgagor, Hawthorne Race Course, Inc., an Illinois corporation ("Hawthorne") and Suburban Downs, Inc., an Illinois corporation ("SDI") and together with Hawthorne and Mortgagor, collectively ("Borrowers") and Mortgagee have entered into that certain Loan and Security Agreement (as amended, restated, extended or modified from time to time, the "Loan Agreement") dated as of even date herewith, pursuant to which Mortgagee has agreed to make certain loans to Borrowers as follows: (i) a term loan in the original principal amount of EIGHT HUNDRED THOUSAND AND NO/100 (\$800,000.00) DOLLARS (the "Term Loan A"), as evidenced by that certain Term Note dated as of even date herewith made by Borrowers and payable to the order of Mortgagee which note bears interest and is payable on the terms more fully described therein (as amended, restated, extended or modified from time to time, the "Term Note A") and (ii) revolver loans in an aggregate amount not to exceed FIVE MILLION FIVE HUNDRED THOUSAND AND NO/100 (\$5,500,000) DOLLARS (collectively, the "Revolver Loan") which bear interest and are payable on the terms more fully described in the Loan Agreement.

NOW, THEREFORE, to secure: (i) the payment of all principal and interest as and when the same become due and payable under the Loan Agreement with respect to the Revolver Loan and the Term Note A and any notes that are entered into evidencing the Revolver Loan (whether by lapse of time, acceleration or otherwise), (ii) the payment of all other indebtedness, obligations and liabilities which this Mortgage secures pursuant to any of its terms and the performance of all covenants and agreements (and the accuracy of all representations and warranties) contained in this Mortgage and in any other instrument securing the Revolver Loan and Term Loan A and delivered in connection therewith (the Loan Agreement, Term Note A, the Mortgage, and any other instrument, document or agreement securing the Revolver Loan and Term Loan A or executed and delivered in connection with such indebtedness are hereinafter referred to, collectively, as the "Loan Documents"), and (iii) the payment of all liabilities and obligations to Mortgagee of Mortgagor, and of any guarantor, of the indebtedness secured by this Mortgage, Mortgagor does hereby mortgage and warrant unto Mortgagee, its successors and assigns forever all of its estate, right, title and interest in the real estate described on Exhibit A attached hereto (the "Real Estate") situated, lying and being in the Town of Cicero and Town of Stickney, County of Cook and State of Illinois, together with all of Mortgagor's right, title and interest in and to the following described property now owned or hereinafter acquired (which property, together with the Real Estate, is collectively referred to as the "Premises"), to wit:

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(1) any after-acquired title or reversion in and to the beds of any vaults, streets, avenues, alleys and other passageways adjoining the Real Estate;

(2) all estates, appurtenances, tenements, easements, licenses, franchises, royalties and hereditaments, all gas, oil and mineral rights and privileges, all riparian, irrigation and drainage rights and privileges and all other rights, liberties and privileges thereof or in any way now or hereafter appertaining, including any after-acquired title, franchise or license and the reversion and reversions and remainder and remainders thereof, relating to or benefiting the Real Estate;

(3) all of Mortgagor's interest and rights as lessor in and to all leases now or hereafter affecting the Premises or any part thereof and all rents, issues, proceeds and profits accruing and to accrue from the Premises, whether payable pursuant to any present or future lease or otherwise growing out of an occupancy or use of the Premises (which are pledged primarily and on a parity with the Real Estate and not secondarily);

(4) all proceeds or sums payable in lieu of or as compensation for the loss of or damage to the Premises, all rights in and to all present and future fire and other hazard insurance policies pertaining to the Premises, any and all monies or other assets (including prepaid insurance policies) at any time or deposit with Mortgagee or a depository designated by Mortgagee (whether deposited by or on behalf of Mortgagor or anyone else)(but excluding the Pledged Account as defined in the Loan Agreement) pursuant to any of the provisions of this Mortgage and all awards paid or to be paid in connection with or in lieu of any condemnation, eminent domain, change of grade or similar proceeding for the taking or for the degradation in the value of all or any part of the Premises pursuant to any of the provisions of this Mortgage;

(5) all buildings and improvements of every kind and description now or hereafter erected or placed on the Real Estate and all materials intended for the construction, reconstruction, alteration and repair of any such buildings and improvements, all of which materials shall be deemed to be included within the Premises immediately upon the delivery thereof to the Premises;

(6) all fixtures and personal property now or hereafter owned by Mortgagor and attached to or contained in and used in connection with the Premises including, but not limited to, heating, cooling, ventilating, communication and security equipment, pipes, pumps, tanks, sprinklers and other plumbing equipment and fixtures, lighting, wires, conduit and other electrical equipment and fixtures, boilers, ranges, furnaces, oil burners and units thereof, vacuum cleaning systems, elevators, escalators, engines, motors and other mechanical equipment and fixtures, awnings, screens, storm doors, windows and window treatments, stoves, refrigerators and other appliances and equipment, partitions, mantels, cabinets and other millwork, rugs, carpets, and other floor coverings, furniture and furnishings used in the operations of the Premises and all additions thereto and renewals or replacements thereof or articles in substitution therefor, whether or not the same are or shall be attached to any building or buildings in any manner, it being mutually agreed, intended and declared that all the aforesaid property shall, so far as permitted by law, be deemed to form a part and parcel of the Premises and for the purpose of this Mortgage to be real estate and covered by this Mortgage; provided, however, that the

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provisions of this paragraph shall not apply or attach to the trade fixtures or personal property of any tenant on the Premises; and

(7) all judgments, awards of damages, settlements and other compensation hereafter made resulting from condemnation proceedings or the taking of the Real Property or any part thereof or any building or other improvement now or at any time hereafter located thereon or any easement or other appurtenance thereto under the power of eminent domain, or any similar power or right (including any award from the United States Government at any time after the allowance of the claim therefor, the ascertainment of the amount thereof and the issuance of the warrant for the payment thereof), whether permanent or temporary, or for any damage (whether caused by such taking or otherwise) to said property or any part thereof or the improvements thereon or any part thereof, or to any rights appurtenant thereto, including severance and consequential damage, and any award for change of grade of streets (collectively, "Condemnation Awards");

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

MORTGAGOR FURTHER COVENANTS AND AGREES AS FOLLOWS:

1. Payment of Principal and Interest. Mortgagor shall promptly pay when due all indebtedness secured by this Mortgage and shall duly and promptly perform and observe all of the terms, provisions, covenants and agreements on the Mortgagor's part to be performed or observed under the Loan Documents.

2. Tax and Insurance Deposits. After an Event of Default (defined below), Mortgagor shall deposit with Mortgagee, or a depository designated by Mortgagee, concurrently with and in addition to the monthly installments of principal and interest due for the Revolver Loan and Term Loan A under the Loan Agreement until the indebtedness secured by this Mortgage is paid, the following: (i) a sum equal to all real estate taxes and assessments next due on the Premises (as estimated from time to time by Mortgagee in its reasonable discretion) divided by the number of months to elapse for which deposits will be made hereunder to and including two months next preceding the month when such taxes will become due and payable and (ii) a sum equal to the amount of the premium or premiums that will next become due and payable to replace or renew the insurance policies required to be maintained by Mortgagor under this Mortgage (as estimated from time to time by Mortgagee in its reasonable discretion) divided by the number of months to elapse for which deposits will be made hereunder to and including two months next preceding the expiration date of the policy or policies to be replaced or renewed. All such payments described in this Section shall be held by Mortgagee or by the depository designated by Mortgagee in trust without accruing or without any obligation arising for the payment of interest. If the funds so deposited are insufficient to pay, when due, all taxes and premiums as aforesaid, Mortgagor shall, within ten (10) business days after written demand therefor from Mortgagee, deposit such additional funds as may be necessary to pay such taxes and premiums. If the funds so deposited exceed the amount required to pay such taxes and premiums, the excess shall be credited against the deposit or deposits next due hereunder.

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Neither Mortgagee nor the depositary shall be liable for any failure to make any payments of taxes or premiums unless Mortgagor shall have supplied on a timely basis to Mortgagee or to the depositary the bill or bills for such taxes or insurance premiums; provided, however, that Mortgagee may at its option make or cause the depositary to make any such application of the aforesaid deposits without any direction or request to do same by Mortgagor.

3. Taxes and Other Charges. Mortgagor shall promptly pay, when due and before the imposition of any penalty, all general taxes, special taxes, special assessments, water charges, sewer service charges, association charges and all other charges of whatever kind, whether ordinary or extraordinary or public or private, which may be assessed, levied or imposed against the Premises or any part thereof and shall furnish to Mortgagee official receipts therefor within thirty (30) days after payment thereof. Mortgagor shall also pay, when due and before the imposition of any penalty, all charges incurred for utility service and scavenger service to the Premises whether or not such charges are or will become liens against the Premises; provided, that Mortgagor shall have the right to contest the payment of such taxes in accordance with the terms and provisions of the Loan Agreement.

4. Insurance. Mortgagor, at its expense shall obtain and maintain the following coverage:

(a) Casualty. An "all-risk" casualty insurance policy with a replacement cost endorsement covering the improvements now existing or hereafter erected on the Real Estate to their full replacement value but not less than the principal balance outstanding under the Loan Agreement for the Revolver Loan and Term Note A and this Mortgage:

(i) Rent coverage must be 100% of the anticipated annual rents (assuming full occupancy) written on a delayed income basis. The policy shall allow for partial or full occupancy.

(ii) Coverage should also include permission to occupy clause.

(b) Liability. A comprehensive general liability insurance policy together with excess liability coverage with a combined single limit of liability of not less than Three Million and No/100 Dollars (\$3,000,000.00), such limit to be increased from time to time upon the reasonable request of Mortgagee;

(c) Flood. A flood insurance policy, in accordance with the provisions of the Flood Disaster Protection Act of 1973, as amended, if the area in which the Premises is located is designated as "flood prone" or as a "flood risk area", as defined in said Act, in an amount, if obtainable, of not less than the principal balance outstanding under the Loan Agreement with respect to the Revolver Loan, Term Note A and this Mortgage; and

(d) Workmen's Compensation Insurance. If applicable, a workmen's compensation insurance in required statutory amounts and in form and content satisfactory to Mortgagee.

Mortgagor shall also obtain and maintain such other insurance with respect to the Premises in such amounts and against such insurance hazards as Mortgagee from time to time

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may require in Mortgagee's sole and absolute discretion, reasonably required of the kinds from time to time customarily insured against and in such amounts as are generally available at commercially reasonable premiums and are generally required by institutional lenders in connection with loans secured by real property similar in use and type as the Premises in the Chicago Metropolitan area. All policies of insurance required to be obtained and maintained under this Mortgage shall be in a form and with companies reasonably acceptable to the Mortgagee, shall contain a waiver by the insurer of its right of subrogation, if any, against Mortgagee, shall contain an endorsement which, in substance, provides that no act of negligence on the part of the insured or any occupant of the Premises, and no occupancy or use of the Premises for any purpose more hazardous than that permitted by the terms of such policy, will affect the validity or enforceability of such insurance as against the Mortgagee and, on any liability risk policy, shall name Mortgagee as an additional insured and, on all other policies, shall have a noncontributing mortgage endorsement in favor of and entitling the Mortgagee to be the loss payee and to collect any and all of the proceeds payable under such insurance. All such policies of insurance shall also require written notice from the insurer to the Mortgagee at least thirty (30) days prior to the expiration, cancellation or termination of any such policies.

Mortgagor shall pay promptly, when due, any premiums on any insurance required to be maintained under this Mortgage and shall furnish to Mortgagee receipts evidencing payment of such premiums within thirty (30) days of the date on which such premiums are due and payable; provided, however, that if an Event of Default has occurred and if the Mortgagee has not suspended the monthly deposits for insurance, if any, required under this Mortgage, Mortgagee, at its option, may either make such deposits available to Mortgagor for the payments required under this Section or make such payments on behalf of Mortgagor. All policies of insurance required to be maintained by Mortgagor under this Mortgage or certificates of insurance evidencing such policies reasonably satisfactory to Mortgagee shall be deposited with Mortgagee as of the date hereof and not less than thirty (30) days prior to the expiration of any such policy. Upon request of Mortgagee, Mortgagor shall furnish satisfactory evidence of the premium payment therefor.

UNLESS MORTGAGOR PROVIDES MORTGAGEE WITH EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY MORTGAGOR'S AGREEMENT WITH MORTGAGEE, MORTGAGEE MAY PURCHASE INSURANCE AT MORTGAGOR'S EXPENSE TO PROTECT MORTGAGEE'S INTERESTS IN THE PREMISES. This insurance may, but need not, protect Mortgagor's interests. The coverage that Mortgagee purchases may not pay any claim that Mortgagor makes or any claim that is made against Mortgagor in connection with the Premises. Mortgagor may later cancel any insurance purchased by Mortgagee, but only after providing Mortgagee with evidence that Mortgagor has obtained insurance as required hereunder. If Mortgagee purchases insurance for the Premises, Mortgagor will be responsible for the costs of that insurance, including interest and any other charges Mortgagee may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to Mortgagor's total outstanding balance or obligation. The costs of the insurance may be more than the cost of insurance Mortgagor may be able to obtain on Mortgagor's own. In the event Mortgagee, in its reasonable discretion, determines that any insurance provided by Mortgagor does not comply with the insurance requirements set forth herein, then Mortgagee may, at any time and at its own discretion, procure and substitute for any

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and all of the policies of insurance deposited as aforesaid such other policy or policies of insurance, in such amount and carried with such company as it may determine, and the cost therefor shall be repaid to Mortgagee by Mortgagor upon demand. Mortgagor shall furnish to Mortgagee, upon request, estimates or appraisals of insurable value, without cost to Mortgagee, such as are regularly and ordinarily made by insurance companies to determine the then replacement cost of the building or buildings and improvements on the Real Estate. Mortgagor shall not carry separate insurance concurrent in kind or form, and contributing in the event of any loss, with any insurance required hereunder.

5. Damage to or Destruction of Mortgaged Premises.

(a) Notice. In case of any material damage to or destruction of the Premises or any part thereof, Mortgagor shall promptly give written notice thereof to Mortgagee, generally describing the nature and extent of such damage or destruction.

(b) Restoration. In case of any damage to or destruction of the Premises or any part thereof, if Mortgagee elects to apply the proceeds to restoration and repair pursuant to subsection 5(d) below, Mortgagor, will promptly commence and complete (subject to unavoidable delays occasioned by strikes, lockouts, acts of God, inability to obtain labor or materials, governmental restriction, and similar causes beyond the reasonable control of Mortgagor) the restoration, replacement, or rebuilding of the Premises as nearly as possible to its value, condition and character immediately prior to such damage or destruction.

(c) Adjustment of Loss. Mortgagor hereby authorizes Mortgagee, at Mortgagee's option, to adjust and compromise any losses under any insurance afforded, but unless Mortgagee elects to adjust the losses as aforesaid, said adjustment or compromise shall be made by Mortgagor, subject to final approval of Mortgagee in the case of losses exceeding \$250,000.00.

(d) Application of Insurance Proceeds. All insurance proceeds (net of costs incurred in connection with obtaining payment of such proceeds) received by Mortgagee under the provisions of this Mortgage or any instruments supplemental hereto and thereto or under any policy or policies of insurance covering the Premises or any part thereof shall not be applied as a prepayment on the Revolver Loan, Term Loan A and any other indebtedness hereby secured (and Mortgagee is hereby irrevocably authorized and directed to make such an application whether or not the Revolver Loan, Term Loan A or any other indebtedness hereby secured may then be due or otherwise adequately secured) and shall thereafter be applied to the reduction of any other indebtedness secured by this Mortgage. Mortgagee, may at its sole option, with no obligation to do so, make available such proceeds for the restoration of the portion of the Premises damaged or destroyed if written application for such use is made within ninety (90) days after the date of the casualty and the following conditions are satisfied to the reasonable satisfaction of the Mortgagee: (i) no Event of Default shall have occurred and be continuing (and if such an event shall occur during restoration Mortgagee may, at its election, apply any insurance proceeds then remaining in its hands to the reduction of the indebtedness evidenced by the Loan Agreement with respect to the Revolver Loan and Term Note A and the other indebtedness hereby secured); (ii) Mortgagor shall have submitted to Mortgagee plans and specifications for the restoration which shall be satisfactory to Mortgagee; (iii) Mortgagor shall

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submit to Mortgagee contracts with good and responsible contractors and materialmen covering all work and materials necessary to complete restoration and providing for a total completion price not in excess of the amount of insurance proceeds available for restoration, or, if a deficiency shall exist, Mortgagor shall have deposited the amount of such deficiency with Mortgagee or evidenced its ability to pay the deficiency; (iv) Mortgagor shall have obtained a waiver of the right of subrogation from any insurer under such policies of insurance who at that time claims that no liability exists as to Mortgagor or the insured under such policies; and (v) the proceeds of any business interruption insurance and the projected rents or other revenues from the Premises during such restoration shall be adequate, in Mortgagee's sole and absolute opinion, Mortgagor's ability to make payments due hereunder during such restoration. Such disbursements may, at Mortgagee's option, be made directly to Mortgagor or to or through any contractor or materialman to whom payment is due or to or through a construction escrow to be maintained by a title insurer acceptable to Mortgagee. Mortgagee may impose such further conditions upon the release of insurance proceeds (including the receipt of title insurance) as are customarily imposed by prudent construction lenders to insure the completion of the restoration work free and clear of all liens or claims for lien. All title insurance charges and other costs and expenses paid to or for the account of Mortgagor in connection with the release of such insurance proceeds shall constitute so much additional indebtedness hereby secured to be payable upon demand with interest at the rate applicable to the Term Loan A at the time such costs or expenses are incurred. Mortgagee may deduct any such costs and expenses from insurance proceeds at any time standing in its hands. If Mortgagor fails to request that insurance proceeds be applied to the restoration of the improvements or if Mortgagor makes such a request but fails to complete restoration within a reasonable time, Mortgagee shall have the right, but not the duty, to restore or rebuild the Premises or any part thereof for or on behalf of Mortgagor in lieu of applying said proceeds to the indebtedness hereby secured and for such purpose may do all necessary acts, and disburse all necessary funds for the purpose of restoration; all such additional funds to constitute part of the indebtedness hereby secured payable upon demand with interest at the default rate set forth in the Loan Agreement.

6. General Covenants.

(a) Mortgagor shall:

(i) keep and maintain the Premises and every part thereof in good repair and condition (ordinary wear and tear excepted) making such repairs and replacements as may from time to time be necessary or appropriate to keep the Premises in at least as good condition as that existing on the date of this Mortgage in all material respects;

(ii) complete, within a reasonable period of time, any improvements now or, with the consent of Mortgagee, which consent shall not be unreasonably withheld or delayed, hereafter in the process of being constructed on the Real Estate;

(iii) to the extent that proceeds of insurance are available and Mortgagee allows the proceeds to be disbursed to Mortgagor, repair, restore or replace any fixtures and personal property now or hereafter on the Real Estate which may be or become damaged or destroyed to a condition or with items at least equal to those

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repaired, restored or replaced and, if subject to the lien of this Mortgage, free of any security interest therein, encumbrance thereon or reservation of title thereto, except as shown on the Loan Policy (defined below);

(iv) comply with all laws, ordinances, regulations and orders of any federal, state, county or municipal authority and with any restriction or requirement contained in any recorded instrument relating to the Premises or to the use thereof;

(v) comply with any conditions and requirements necessary to maintain the insurance required under this Mortgage;

(vi) maintain any and all rights, licenses, permits, privileges, franchises or concessions, whether public or private, which are or become applicable to the Premises, or which are granted to Mortgagor in connection with any existing or planned improvement or use of the Premises;

(vii) not erect, demolish, remove or alter any improvement on the Real Estate without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld or delayed, except (A) as may be required by law, or (B) as may be necessary for any repairs or replacements expressly required under this Mortgage, or (C) as part of a plan of renovation or remodeling of the Premises of which the Mortgagee has received prior notice;

(viii) not remove, sever, sell or mortgage any fixtures or personal property of Mortgagor on the Real Estate without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld or delayed, except (A) as may be required by law, or (B) in the ordinary course of business, or (C) as part of a plan of renovation or remodeling of the Premises of which the Mortgagee has received prior notice;

(ix) not permit, suffer or commit any waste, impairment or deterioration of the Premises or any part thereof (ordinary wear and tear excepted);

(x) other than hazardous materials or substances contained in commercially used office products or cleaning materials, not permit or conduct in violation of applicable law either the generation, treatment, storage or disposal of hazardous waste, as defined in the Resource Conservation and Recovery Act, or the disposal in violation of applicable law on the Premises of petroleum or any hazardous substance, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act, and shall perform all remedial actions necessary as the result of the presence of any such hazardous wastes, petroleum or hazardous substances on, at or near the Premises, regardless of by whom caused;

(xi) not abandon or vacate the Premises or suffer or permit the Premises to be abandoned (for purposes hereof, termination of any tenant's lease, without more, shall not be deemed to be an abandonment or vacation);

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(xii) not use or suffer or permit the use of the Premises for a purpose other than that for which it is used on the date of this Mortgage except as may be required by law without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld or delayed;

(xiii) not cause, suffer or permit the Premises to be or become subject to any covenants or restrictions not existing on the date of this Mortgage except as part of a plan of renovation or remodeling of the Premises of which the Mortgagee has received prior notice, or initiate, suffer or permit any change in any existing covenant, restriction, zoning ordinance or other private or public restriction which materially adversely impacts upon the uses which may be made of, or the improvements which may be placed upon the Premises and promptly notify Mortgagee of and appear in and defend, at its sole cost and expense, any proceeding to impose or change any such covenants and restrictions; and

(xiv) not subdivide the Premises except as part of a plan of renovation or remodeling of the Premises of which the Mortgagee has received prior notice or subject the Premises to the provisions of the condominium laws of the state in which the Premises are located.

7. Liens and Encumbrances. Mortgagor shall keep the Premises free and clear of liens by mechanics and materialmen and free and clear of all other liens, charges and encumbrances excepting, however, any lien or encumbrance consented to by Mortgagee, shown on Mortgagee's title insurance pro forma of the title policy approved by Mortgagee ("Loan Policy") and excepting the lien of real estate taxes not yet due and payable. Mortgagor shall promptly pay and discharge any lien or encumbrance attaching to the Premises and not permitted under this Section or deposit with Mortgagee a bond or other security satisfactory to Mortgagee and sufficient to protect Mortgagee against any loss or damage arising out of such lien or encumbrance upon receiving notice thereof and shall pay when due or diligently contest, pursuant to Section 3, any indebtedness or other charge secured by any lien or encumbrance permitted under this Section. Mortgagor shall observe and perform all covenants and obligations required to be observed or performed by Mortgagor under any document creating or evidencing any lien or encumbrance permitted by this Section and any failure of Mortgagor to observe or perform any such covenant or obligation shall be a default by Mortgagor under this Mortgage. Upon request by Mortgagee, Mortgagor shall deliver to Mortgagee satisfactory evidence of any payment or payments required under this Section.

8. Transfer of Ownership. Except as otherwise permitted by the Loan Documents, if there shall occur or Mortgagor shall make or permit whether voluntary, involuntary, by operation of law or otherwise, any sale, assignment, transfer, lease, encumbrance (other than encumbrances shown on the Loan Policy and subject to Section 7 hereof), or any portion thereof or interest therein or any interest in or under any trust or other entity which holds title to the Premises, other than in the ordinary course of Mortgagor's business, Mortgagee, at its option and upon notice to Mortgagor, may declare all indebtedness secured by this Mortgage immediately due and payable and, in the absence of immediate payment thereof by Mortgagor, may pursue any and all rights and remedies available to Mortgagee under this Mortgage in the event of a default by Mortgagor.

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9. Additional Taxes. If, at any time, the federal or any state or local government, or any of their subdivisions, shall levy, assess or impose any documentary, interest equalization or other tax, assessment or charge on this Mortgage or on the indebtedness secured by this Mortgage, or shall impose upon Mortgagee any tax, assessment, charge or lien required, on the date of this Mortgage, to be paid by Mortgagor (either by deducting from the value of the Premises, or any part thereof, for the purposes of taxation any lien or encumbrance thereon or changing in any way the laws relating to the taxation of Mortgagor's interest in the Premises), Mortgagor shall, upon demand by Mortgagee, promptly pay or reimburse Mortgagee for the payment of such tax, assessment, charge or lien and deliver evidence of such payment to Mortgagee; provided, however, that if in the opinion of counsel for Mortgagee (i) it might be unlawful to require Mortgagor to make such payment or (ii) the making of such payment might be deemed to be the payment of interest beyond the maximum amount permitted by law, then at the option of Mortgagee and upon notice to Mortgagor, Mortgagee may declare all indebtedness secured by this Mortgage immediately due and payable and, in the absence of immediate payment thereof by Mortgagor, Mortgagee may pursue any and all rights and remedies available to Mortgagee under this Mortgage in the event of a default by Mortgagor. Notwithstanding the foregoing, Mortgagor shall not be obligated to pay any portion of Mortgagee's federal, state or local income tax or any other tax based upon the net income of Mortgagee.

10. Mortgagee's Performance of Defaulted Acts. Upon the occurrence and during the continuance of an Event of Default by Mortgagor of any of its obligations under this Mortgage, Mortgagee may, but need not, make any payment or perform any act required of Mortgagor under the Loan Agreement or under this Mortgage in any form and in any manner deemed expedient by Mortgagee. By way of illustration and not in limitation of the foregoing, Mortgagee may, but need not, make full or partial payment or payments of principal or interest on prior encumbrances, if any, purchase, discharge, compromise or settle any tax lien or other prior or junior lien, claim, title or other charge, redeem from any tax sale or forfeiture affecting the Premises or contest any tax or assessment. All monies paid for any purpose authorized in this Section and all out of pocket expenses paid or incurred in connection therewith, including reasonable attorneys' fees, and any other monies advanced by Mortgagee to protect the Premises and the lien hereof, shall be additional indebtedness secured by this Mortgage and shall be immediately due and payable by Mortgagor to Mortgagee without notice and with interest thereon at the rate applicable under the Loan Agreement after an Event of Default thereunder. Inaction by Mortgagee shall never be considered as a waiver of any right accruing to Mortgagee under this Section on account of any default of Mortgagor under this Mortgage.

11. Eminent Domain. Mortgagor acknowledges that Condemnation Awards have been assigned to Mortgagee, which awards Mortgagee is hereby irrevocably authorized to collect and receive, and to give appropriate receipts and acquittances therefor and at Mortgagee's option, to apply the same toward the payment of the amount owing on account of the indebtedness hereby secured in such order of application as Mortgagee may elect and whether or not the same may then be due and payable or otherwise adequately secured; provided, however, that a Condemnation Award in respect of any taking of a portion (but not all or any material portion) of the Premises shall be made available for the restoration of such Premises in the same manner and subject to the same conditions as are imposed on the release of insurance proceeds set forth in Section 5(d) hereof as if the Premises so taken were destroyed and the Condemnation Award for such taking was actually insurance proceeds in respect of the Premises so deemed as

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having been destroyed. In the event that any proceeds of a Condemnation Award shall be made available to the Mortgagor for restoring the premises so taken, Mortgagor hereby covenants to promptly commence and complete such restoration of the Premises as nearly as possible to its value, condition and character immediately prior to such damage or destruction. Mortgagor covenants and agrees that Mortgagor will give Mortgagee immediate notice of the actual or threatened commencement of any proceedings under condemnation or eminent domain affecting all or any part of the Premises including any easement therein or appurtenance thereof or severance and consequential damage and change in grade of streets, and will deliver to Mortgagee copies of any and all papers served in connection with any such proceedings. Mortgagor further covenants and agrees to make, execute and deliver to Mortgagee, at any time or times upon request, free, clear and discharged of any encumbrances of any kind whatsoever, any and all further assignments and/or instruments deemed necessary by Mortgagee for the purpose of validly and sufficiently assigning all awards and other compensation heretofore and hereafter to be made to Mortgagor for any taking, either permanent or temporary, under any such proceeding.

12. Acknowledgment of Debt. Mortgagor shall execute and deliver to Mortgagee, from time to time upon request by Mortgagee, a written statement, duly acknowledged, verifying the total unpaid indebtedness secured by this Mortgage and disclosing whether any alleged offsets or defenses exist against such indebtedness.

13. Rents and Leases.

(a) Obligations of Mortgagor. Mortgagor shall (i) at all times promptly and faithfully keep and perform all of the covenants, conditions and agreements on the part of landlord to be kept and performed under all leases and tenancies covering the Premises, (ii) enforce or secure the performance of all of the covenants, conditions and agreements on the part of the tenants to be kept and performed under such leases and tenancies, (iii) appear in and defend any action or proceeding arising out of or in any manner connected with such leases and tenancies or the rights and obligations of landlord or tenants thereunder, (iv) execute and deliver to Mortgagee, upon request, any and all documents and instruments deemed necessary by Mortgagee to transfer and assign to Mortgagee any lease and all rents and rights thereunder and under any tenancy covering all or any portion of the Premises, and (v) exercise, within five (5) days of any demand therefor by Mortgagee, any right to request from any tenant under any lease a certificate with respect to the status thereof in a form set forth under the applicable lease and otherwise as requested by Mortgagee.

(b) Exoneration of Mortgagee. Nothing in this Mortgage or in any other documents relating to the indebtedness secured by this Mortgage shall be construed to obligate Mortgagee, expressly or by implication, to keep or perform any of the covenants and agreements on the part of the landlord to be kept and performed under leases and tenancies covering all or any portion of the Premises or to pay any sum of money or damages to be paid by the landlord or landlord's assignee under such leases and tenancies, all of which covenants, agreements and payments shall be kept, performed and paid by Mortgagor.

(c) Attornment. In the event of a default by Mortgagor and enforcement by Mortgagee of the remedies provided by law or by this Mortgage, the tenant under each lease and

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tenancy covering all or any portion of the Premises shall, at the option of Mortgagee and upon delivery of a notice from Mortgagee to such tenant, attorn to any person succeeding to the interest of Mortgagor as a result of such enforcement and shall recognize such successor in interest as landlord under such lease or tenancy without any change in the terms or other provisions thereof; provided, however, that said successor-in-interest shall not be bound by any payments made or deemed to have been made by any tenant more than thirty (30) days in advance of the due date of any such payments or by any amendment or modification to any lease or tenancy made without the prior consent of Mortgagee or said successor-in-interest. Each tenant, upon request by Mortgagee or any such successor-in-interest, shall execute and deliver an instrument or instruments confirming such attornment and Mortgagor shall cause each lease, entered into after the date hereof, covering all or any portion of the Premises to contain a covenant on the part of the tenant evidencing its agreement to such attornment.

(d) Declaration of Subordination. At the option of Mortgagee, this Mortgage shall become subject and subordinate, in whole or in part (but not with respect to the priority of entitlement to insurance proceeds or to any award or other compensation paid in any condemnation proceeding) to any and all leases and tenancies of all or any portion of the Premises upon execution by Mortgagee of a unilateral declaration subordinating this Mortgage to such leases and tenancies and the recording thereof, at any time hereafter, in the Office of the Recorder of Deeds in and for the county in which the Premises are located.

(e) Inspection of Books and Records. In the event that all or any portion of the Premises are leased or available for lease, Mortgagor shall, during any such period, keep and maintain complete and accurate books and records showing, in a manner satisfactory to Mortgagee, all income and expenses of the Premises and shall, upon request by Mortgagee, allow Mortgagee to examine such books and records and all supporting documentation at the principal office of Mortgagor or at such other location as may be mutually agreed upon.

14. Security Agreement. This Mortgage shall also constitute a Security Agreement, as that term is used in the Uniform Commercial Code (the "Code") of the state in which the Premises are located, with respect to any portion of the Premises which is now or hereafter deemed to be personal property, fixtures or property other than real estate and all replacements, additions and substitutions thereto (the "UCC Collateral"). Mortgagor hereby grants a security interest and assigns to Mortgagee all of Mortgagor's right, title and interest in and to the UCC Collateral to secure the payment of the indebtedness secured by and the performance of the obligations contained in this Mortgage. Mortgagee shall have, in addition to the rights and remedies granted to Mortgagee under this Mortgage, all of the rights and remedies of a secured party under the Code with respect to the UCC Collateral and Mortgagor hereby agrees that in the event Mortgagee shall exercise any right or remedy under the Code following a default by Mortgagor under this Mortgage, whether to dispose of the UCC Collateral or otherwise, ten (10) days notice by Mortgagee to Mortgagor shall be deemed to be reasonable notice under any provision of the Code requiring such notice. Mortgagor shall, immediately upon request by Mortgagee, execute and deliver to Mortgagee, in a form prescribed by Mortgagee, any financing statement, continuation statement, certificate or other document covering all or any portion of the UCC Collateral designated by Mortgagee that, in the opinion of Mortgagee, may be required to perfect, continue, affirm or otherwise maintain the existence and priority of the security interest in the UCC Collateral created under this Mortgage. Mortgagor, if requested by Mortgagee, shall

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also execute and deliver to Mortgagee a Security Agreement covering the UCC Collateral and containing such covenants, conditions and agreements in addition or as a supplement to those contained in this Mortgage as may be requested by Mortgagee.

This Mortgage is intended to be a financing statement filed as a fixture filing pursuant to Section 9-502(c) of the Code. The addresses of Mortgagor (Debtor) and Mortgagee (Secured Party) are set forth in the Preamble of this Mortgage. This Mortgage is to be filed for recording in appropriate public records of the county or counties where the Premises are located. Mortgagor is the record owner of the Premises.

15. Inspection of Premises. Mortgagor hereby grants to Mortgagee and its agents the right to inspect the Premises at all reasonable times and shall permit access thereto for such purpose.

16. Revolving Credit; Future Advances. This Mortgage is given to secure, among other things, a revolving credit loan and shall secure such future advances, whether such advances are obligatory or are to be made at the option of the Mortgagee, or otherwise, as are made within twenty (20) years from the date hereof, to the same extent as if such future advances were made on the date hereof. The indebtedness secured by this Mortgage shall include (a) all existing indebtedness of the Borrowers to the Mortgagee under and pursuant to the Loan Agreement with respect to the Revolver Loan and/or the Term Note A with respect to the Term Loan, and all renewals, extensions, modifications and replacements thereof, and (b) all future advances that may be subsequently made by the Mortgagee and all renewals, extensions, modifications and replacements thereof. If, at any time prior to the payment in full of the indebtedness secured by this Mortgage, Mortgagee shall advance additional funds to or for the benefit of Mortgagor, such advances together with applicable interest thereon shall be secured by this Mortgage in accordance with all covenants, conditions and agreements herein contained and, to the extent permitted by law, shall be on a parity with and not subordinate to the indebtedness evidenced by the Loan Agreement and Term Note A; provided, however, that the indebtedness secured by this Mortgage and from time to time remaining unpaid shall not, after including the amount of all such advances, exceed two (2) times the original principal indebtedness secured by this Mortgage plus interest thereon, and any disbursements which are made for the payment of taxes, special assessments or insurance on the Premises or other disbursements as provided for herein.

17. Indemnification and Reimbursement of Expenses. Mortgagor shall hold harmless and indemnify Mortgagee from and against any loss, cost, damage, liability or expense, including reasonable attorneys' fees, arising out of any suit or proceeding or threat thereof in which Mortgagee is made a party or becomes involved (a) because of any damage or destruction to persons or property on or about the Premises, (b) because of the violation or enforcement of any law, ordinance, private right or restriction applicable to the Premises or the operation thereof or (c) to protect the lien or priority of this Mortgage and any loss, cost, damage or expense so incurred or incurred by Mortgagee in connection with (i) protecting or enforcing any of Mortgagee's rights under this Mortgage or (ii) recovering any indebtedness secured by this Mortgage shall be additional indebtedness secured by this Mortgage and shall be immediately due and payable by Mortgagor to Mortgagee without notice and with interest thereon at the rate applicable under the Loan Agreement and Term Note A.

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18. Remedies on Default.

(a) Events of Default. It shall be an "Event of Default" under this Mortgage when and if (i) Mortgagor fails, within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment required hereunder; (ii) Mortgagor fails to perform, keep or observe any term, provision, condition, covenant, warranty or representation contained in this Mortgage which failure continues for a period of thirty (30) days after written notice of such failure by Mortgagee to Mortgagor, provided that such thirty (30) day period shall be extended to not more than ninety (90) days so long as Borrower has commenced to cause a cure of such failure during the initial thirty (30) day period and is diligently proceeding to cure the same; and/or (iii) there occurs an "Event of Default" as defined in the Loan Agreement.

(b) Remedies. Without limiting other rights granted to Mortgagee under this Mortgage, upon the occurrence of an Event of Default under this Mortgage, Mortgagee may, at its option, (i) upon giving written notice to Mortgagor with reason therefor, declare the entire indebtedness secured by this Mortgage to be immediately due and payable without demand or presentment (each of which is hereby expressly waived by Mortgagor) whereupon the same shall become immediately due and payable, (ii) institute proceedings for the complete foreclosure of this Mortgage, (iii) institute proceedings to collect any delinquent installment or installments of the indebtedness secured by this Mortgage without accelerating the due date of the entire indebtedness by proceeding with foreclosure of this Mortgage with respect to any delinquent installment or installments of such indebtedness only and any sale of the Premises under such a foreclosure proceeding shall be subject to and shall not affect the unmatured part of the indebtedness and this Mortgage shall be and continue as a lien on the Premises securing the unmatured indebtedness, (iv) institute proceedings in equity or at law for the specific performance of any covenant, agreement or condition in this Mortgage or in aid of the execution of any power granted in this Mortgage or (v) take such other action as may be permitted under the laws of the state in which the Premises are located.

(c) Expense of Litigation. In any suit to foreclose the lien of this Mortgage there shall be allowed and included, as additional indebtedness in the judgment or decree of foreclosure, all reasonable out of pocket expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for court costs and attorneys' fees and for appraisers' fees, fees for documentary and expert evidence, stenographer's fees, publication costs, survey costs and costs of procuring all abstracts of title, title examinations, title insurance policies, Torrens certificates and other similar data and assurances with respect to title as Mortgagee may deem necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such judgment or decree of foreclosure the true condition of the title to or value of the Premises.

(d) Right of Possession. Upon the occurrence of an Event of Default and to the extent permitted by law, Mortgagee, at its option, shall have the right, personally or by its agents or attorneys, to enter upon and to take and maintain possession of all or any portion of the Premises and to take and maintain possession of all documents, books, records, papers and accounts of Mortgagor or the then manager of the Premises relating thereto and may exclude Mortgagor, its agents or servants, wholly therefrom and may, personally or by its agents or attorneys as agent of Mortgagor or in its own name as Mortgagee and under the powers herein

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granted possess, operate, manage and control the Premises and conduct any business thereon with full power to (i) collect all rents, issues and profits from the Premises, (ii) take such action, legal or equitable, as may, in its discretion, be necessary or desirable to protect or enforce the payment of the rents, issues and profits from the Premises, including instituting actions for recovery of rent, actions in forcible detainer and actions in distress for rent, (iii) cancel or terminate any tenancy, lease or sublease for any cause or reason which would entitle Mortgagor to cancel such tenancy, lease or sublease, (iv) elect to disaffirm any tenancy, lease or sublease made subsequent to this Mortgage or subordinated to the lien of this Mortgage, (v) extend or modify any then existing lease or tenancy and make new leases, which extensions, modifications and new leases may provide for terms or options for terms to expire beyond the maturity date of the indebtedness secured by this Mortgage, it being understood and agreed that any such leases and the options and other provisions contained therein shall be binding upon Mortgagor, upon all persons whose interests in the Premises are subject to the lien of this Mortgage and upon any purchaser or purchasers at any foreclosure sale notwithstanding any redemption from sale, discharge of the indebtedness secured by this Mortgage, satisfaction of any foreclosure decree or issuance of any certificate of sale or deed to any purchaser or purchasers at any foreclosure sale, (vi) make all repairs, decorations, renewals, replacements, alterations, additions and improvements to the Premises as Mortgagee may deem necessary or desirable, (vii) insure and reinsure the Premises and all risks incident to the possession, operation, management and control of the Premises by Mortgagee, and (viii) take such other action for the possession, operation, management and control of the Premises as Mortgagee may deem necessary or appropriate.

(e) Application of Rental Proceeds. Any rents, issues and profits from the Premises received by Mortgagee, after taking possession of the Premises or pursuant to any assignment thereof to Mortgagee under the provisions of this Mortgage or any separate Assignment of Rents or Assignment of Leases, shall be distributed and applied to or on account of the following, in such order of priority as Mortgagee (or, in the case of a receivership, as the court) may determine: (i) the payment of any expenses incurred in the possession, operation, management and control of the Premises, including reasonable compensation to Mortgagee or any receiver that may be appointed and the fees of any managing agent (if management of the Premises is delegated to such agent) and including lease commissions and other expenses of procuring tenants and entering into leases for the Premises, (ii) the payment of taxes, special assessments, water and sewer charges and other charges on the Premises now due or which may become due or which may be or become a lien prior to the lien of this Mortgage, (iii) the payment of any expenses incurred for any repairs, decorations, renewals, replacements, alterations, additions and improvements to the Premises or the operation thereof, (iv) the payment of any indebtedness secured by this Mortgage, the payment of any amount set forth in any judgment or decree of foreclosure and the payment of any deficiency which may result from any foreclosure sale or (v) with respect to any remaining funds, to the Mortgagor, its successors or assigns, as their rights may appear.

(f) Appointment of Receiver. Upon or at any time after the filing of any complaint to foreclose this Mortgage, the court in which such foreclosure is filed may, upon application by Mortgagee, appoint a receiver of the Premises (which may be Mortgagee) and Mortgagor hereby consents to such appointment. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency, at the time of the application for such receiver, of any party liable for the payment of the indebtedness secured by

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this Mortgage, without regard to the then value of the Premises or whether the Premises are then occupied as a homestead or not and without the posting of any bond being required of the applicant. Such receiver shall have the power to take possession of and to operate, manage and control the Premises, to collect and receive all rents, issues and profits from the Premises during the pendency of such foreclosure suit and, in the case of a sale and a deficiency, during the full statutory period of redemption, if any, as well as during any further times when Mortgagor, its successors or assigns, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits and to exercise all other powers which may be necessary or desirable for the protection, possession, operation, management and control of the Premises during the whole of the aforesaid period. To the extent permitted by law, such receiver may be authorized by the court to (i) cancel or terminate any tenancy, lease or sublease for any cause or reason which would entitle Mortgagor to cancel such tenancy, lease or sublease, (ii) elect to disaffirm any tenancy, lease or sublease made subsequent to this Mortgage or subordinated to the lien of this Mortgage and (iii) extend or modify any then existing leases and tenancies and to make new leases, which extensions, modifications and new leases may provide for terms or options for terms to expire beyond the maturity date of the indebtedness secured by this Mortgage, it being understood and agreed that any such leases and the options and other provisions contained therein shall be binding upon Mortgagor, upon all persons whose interests in the Premises are subject to the lien of this Mortgage and upon any purchaser or purchasers at any foreclosure sale notwithstanding any redemption from sale, discharge of the indebtedness secured by this Mortgage, satisfaction of any foreclosure decree or issuance of any certificate of sale or deed to any purchaser or purchasers at any foreclosure sale.

(g) Sale of Premises. To the extent permitted by law all or any portion of the Premises or any interest or estate therein to be sold pursuant to any judgment or decree of foreclosure obtained pursuant to this Mortgage shall be sold as a single parcel or as multiple parcels in such manner or order as Mortgagee, in its sole discretion, may elect. At any foreclosure sale of all or any portion of the Premises, Mortgagee may bid for and acquire, as purchaser, the Premises or any portion thereof being sold and, in lieu of paying cash therefor, may credit against the indebtedness secured by this Mortgage and the amount set forth in the judgment or deed of foreclosure, the amount bid by Mortgagee at such foreclosure sale.

(h) Application of Foreclosure Proceeds. The proceeds from any foreclosure sale of all or any portion of the Premises shall be distributed and applied in the following order of priority: (i) on account of all reasonable costs and expenses incident to any such foreclosure proceedings, (ii) on account of all items (other than principal and interest remaining unpaid under the Loan Agreement and Term Note A) which, under the terms of this Mortgage, constitute indebtedness secured by this Mortgage, together with interest thereon (unless otherwise included in the indebtedness) at the rate applicable under the Loan Agreement and Term Note A after an Event of Default thereunder, (iii) on account of all principal and interest remaining unpaid under the Loan Agreement and Term Note A and (iv) the excess, if any, to Mortgagor, its successors or assigns, as their rights may appear.

(i) Application of Deposits. Upon the occurrence and during the continuance of an Event of Default, Mortgagee shall have the right, but not the obligation, to apply any deposit of Mortgagor held by Mortgagee to the payment of any indebtedness secured by this Mortgage in such order and manner as Mortgagee may elect.

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(j) Waiver of Statutory Rights. Mortgagor agrees that it shall not apply for or avail itself of and hereby waives the benefit of, for itself and all who may claim through or under it, any right of redemption, appraisal, valuation, stay, moratorium, extension or exemption laws, whether existing on the date of this Mortgage or hereafter enacted, in any enforcement or foreclosure of this Mortgage. Mortgagor, for itself and all who may claim through or under it, waives any and all right to have the Premises or any portion thereof marshaled upon any foreclosure of this Mortgage and Mortgagor agrees that any court having jurisdiction to foreclose this Mortgage may order the Premises sold as an entirety.

(k) Waiver of Defenses. No action for the enforcement or foreclosure of this Mortgage shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Loan Agreement and Term Note A.

(l) Partial Payments. Acceptance by Mortgagee of any payment which is less than payment in full of all amounts due and payable at the time such payment is made shall not constitute a waiver of Mortgagee's right to declare the entire indebtedness secured by this Mortgage to be immediately due and payable without notice, demand or presentment or to exercise any other right or remedy of Mortgagee under this Mortgage at that time or at any subsequent time nor shall such acceptance nullify any prior exercise by Mortgagee of any right or remedy under this Mortgage without the express written consent of Mortgagee.

(m) Rescission of Acceleration. Mortgagee shall have the right to rescind any acceleration of the indebtedness secured by this Mortgage and the right to discharge or dismiss any proceedings brought to enforce any right or remedy of Mortgagee under this Mortgage and, in the event Mortgagee elects to exercise either of such rights, the obligations of Mortgagor and the rights and remedies of Mortgagee shall continue as if such acceleration had not been made or such proceedings had not been commenced.

(n) Deficiency Decree. If at any foreclosure proceeding the Premises shall be sold for a sum less than the total amount of indebtedness for which judgment is therein given, the judgment creditor shall be entitled to the entry of a deficiency decree against Mortgagor for the amount of such deficiency, and Mortgagor does hereby irrevocably consent to the appointment of a receiver for the Premises and the other property (real and personal) of Mortgagor and of the rents, issues and profits thereof after such sale and until such deficiency decree is satisfied in full.

19. Remedies Cumulative and Concurrent. The rights and remedies of Mortgagee as provided in this Mortgage shall not be exclusive of, but shall be in addition to, any right or remedy now or hereafter existing at law or in equity and all such rights and remedies may be exercised together, independently or in any combination and when and as often as Mortgagee shall elect.

20. Subrogation. In the event that any portion of the proceeds of the indebtedness secured by this Mortgage are used, directly or indirectly, to pay off, discharge or satisfy, in whole or in part, any prior lien or encumbrance on the Premises, or any part thereof, then Mortgagee shall be subrogated to the rights of the creditor under such other lien or encumbrance and shall have the benefit of the priority of such other lien or encumbrance.

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21. Partial Release. Mortgagee may, at any time and from time to time, with or without consideration, release any portion of the Premises from the lien of this Mortgage, release any person liable for any indebtedness secured by this Mortgage or extend the time for payment of all or any portion of the indebtedness secured by this Mortgage without in any way affecting the lien of this Mortgage or the priority thereof (except as specifically set forth in such release) and without in any way affecting the obligations of any party liable for the indebtedness secured by this Mortgage (except as specifically set forth in such release or extension).

22. Purpose of Loan. Mortgagor represents and agrees that the proceeds of the indebtedness secured by this Mortgage and any future advances made by Mortgagee to Mortgagor and secured by this Mortgage will be used for both business purposes and for personal purposes. Notwithstanding any other provision hereof, if this indebtedness is covered by Regulation Z of the Federal Reserve Board (Truth in Lending) or any like disclosure requirement, the Loan Agreement and Term Note A shall be secured by collateral referenced herein or in any other document only if disclosed in a related disclosure statement.

23. Excess Interest. If it is determined that Mortgagor shall have paid or there shall have accrued interest on the indebtedness secured by this Mortgage in an amount in excess of that permitted by law, such excess shall, to the extent required by law and otherwise at the option of Mortgagee, either be applied to reduce the unpaid indebtedness secured by this Mortgage or be refunded to Mortgagor.

24. Waiver. Any delay in the exercise of or failure to exercise any right or remedy accruing on any default under this Mortgage shall not impair any such right or remedy and shall not be construed to be a waiver of any such default or acquiescence therein nor shall it affect any subsequent default of the same or of a different nature.

25. Notices. All notices, consents, requests, demands, and other communications to be given in connection with this Mortgage shall be in writing and shall be deemed duly given upon receipt or refusal when delivered to the party or its above-designated attorney on a business day at the address designated in the Loan Agreement in the manner designated in the Loan Agreement. Any party may hereafter designate another address or telecopy number by written notice in the aforesaid manner. Nothing in this Section shall be construed to require notice from Mortgagee to Mortgagor prior to taking any action permitted under this Mortgage unless specifically required by the terms of this Mortgage.

26. Successors and Assigns. This Mortgage and all provisions hereof shall extend to and be binding upon the Mortgagor, its successors and assigns, and all persons claiming under or through Mortgagor and shall inure to the benefit of Mortgagee and its successors and assigns.

27. Further Assurances. Mortgagor shall, upon the request of Mortgagee, execute, acknowledge and deliver any additional instruments and further assurances and do or cause to be done any further acts and things as may be reasonably necessary to carry out the intent of this Mortgage.

28. Definitions. Whenever the context of any sentence of this Mortgage shall so require, the singular shall include the plural, the plural the singular and the use of any gender

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shall include all genders. The word "person" as used herein shall mean any natural person and any partnership, joint venture, corporation, association or other legal entity.

29. Time is of the Essence. It is specifically agreed that time is of the essence of this Mortgage.

30. Modifications. This Mortgage may not be amended or modified except by an instrument in writing signed by the party against whom enforcement of the amendment or modification is asserted.

31. Covenants to Run with the Land. All the covenants and agreements contained in this Mortgage shall run with the land.

32. Captions. The captions and headings of the sections of this Mortgage are for convenience only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions of this Mortgage.

33. Severability. If any provision of this Mortgage or the application thereof to any circumstances shall be held invalid or unenforceable, the remainder of this Mortgage and the application thereof to other circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

34. Construction. This Mortgage shall be governed and controlled by the internal laws of the State of Illinois without regard to its conflict of law principles.

35. Release. Upon payment in full of all indebtedness secured by this Mortgage and the satisfaction of all obligations of Mortgagor hereunder, Mortgagee shall release the lien of this Mortgage in writing in recordable form promptly upon request therefrom from Mortgagor and shall return or cause the return of any deposit or deposits held by Mortgagee or any depository pursuant to any provisions of this Mortgage to Mortgagor.

36. After Acquired Property. Any and all property hereafter acquired which is of the kind or nature herein provided, or intended to be and become subject to the lien hereof, shall ipso facto, and without any further conveyance, assignment or act on the part of Mortgagor, become and be subject to the lien of this Mortgage as fully and completely as though specifically described herein; but nevertheless Mortgagor shall from time to time, if requested by Mortgagee, execute and deliver any and all such further assurances, conveyances and assignments as Mortgagee may reasonably require for the purpose of expressly and specifically subjecting to the lien of this Mortgage all such property.

37. Recordation and Payment of Taxes and Expenses Incident Thereto. Mortgagor will cause this Mortgage, all mortgages supplemental hereto and any financing statement or other notice of a security interest required by Mortgagee at all times to be kept, recorded and filed at its own expense in such manner and in such places as may be required by law for the recording and filing or for the rerecording and refiling of a mortgage security interest assignment or other lien or charge upon the Premises or any part thereof, in order fully to preserve and protect the rights of Mortgagee hereunder and, without limiting the foregoing, Mortgagee will pay or reimburse Mortgagee for the payment of any and all taxes, fees or other charges incurred in

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connection with any such recordation or re-recordation, including any documentary stamp tax, intangibles tax or tax imposed upon the privilege of having this instrument or any instrument issued pursuant hereto recorded.

38. Counterparts. This Mortgage may be executed in one or more counterparts, each of which shall be deemed an original. Said counterparts shall constitute one and the same instrument and shall be binding upon, and shall inure to the benefit of, each of the undersigned individually, as fully and completely as if all had signed one instrument.

39. Business Loan Recital/Statutory Exemptions. Mortgagor acknowledges and agrees that (a) the proceeds of the Loan will be used in conformance with subparagraph (1)(1) of Section 4 of the Interest Act (815 ILCS 205/0.01 *et seq.*); (b) that the Obligations secured hereby constitute a business loan which comes within the purview of said Section 4; and (c) that the Loan is an exempted transaction under the Truth-in-Lending Act, 15 U.S.C. Sec. 1601 *et seq.*

40. No Agricultural or Residential Real Estate. Mortgagor acknowledges and agrees that the transaction of which this Mortgage is a part is a transaction which does not include either agricultural real estate (as defined in Section 5/15-1201 of the Act) or residential real estate (as defined in Section 5/15-1219 of the Act).

41. Term Loan B and Term Note B. The Loan Agreement provides for an additional loan to Borrowers from Mortgagee in the aggregate amount of Twelve Million Five Hundred Thousand and No/100 Dollars (\$12,500,000) that is defined in the Loan Agreement as "Term Loan B" and is evidenced by "Term Note B" as defined in the Loan Agreement. This Mortgage does not secure the obligations of Borrower to Mortgagee with respect to the Term Loan and Term Note B.

[Remainder of page intentionally left blank; signatures begin on following page]

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Signature Page to Mortgage, Security Agreement, and Fixture Filing

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be signed on the 19
of April, 2016.

MORTGAGOR:

CAREY HEIRS PROPERTIES, LLC, an Illinois
limited liability company

By: *Timothy Carey*
Timothy Carey, Manager

STATE OF ILLINOIS)

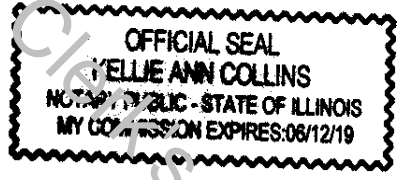
) SS.

COUNTY OF Cook)

On this 19th day of April, 2016 before me, the undersigned Notary Public, personally appeared Timothy Carey, known to me to be the Manager of CAREY HEIRS PROPERTIES, LLC, an Illinois limited liability company and he acknowledged that he executed the Mortgage as the free and voluntary act and deed of said entity for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute this Mortgage and in fact executed the Mortgage on behalf of the company.

By: *Jellie Ann Collins*
Notary Public in and for the State of Illinois

My commission expires: June 12, 2019



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EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1:

ALL THAT PART OF THE SOUTHEAST 1/4 OF SECTION 33, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL (EXCEPT THE 20.00 FEET WIDE RAILROAD SWITCH TRACK RIGHT OF WAY CONVEYED TO THE AMERICAN TAR PRODUCTS COMPANY, INC., BY DEED DATED JUNE 25, 1921 AND RECORDED IN THE RECORDERS OFFICE OF COOK COUNTY, ILLINOIS IN BOOK 16967, PAGE 272 AS DOCUMENT 7212576; ALSO, EXCEPT THE EAST 50.00 FEET, LYING NORTH OF THE SOUTH LINE OF OGDEN DITCH ALSO CALLED WEST FORK OF SOUTH BRANCH OF THE CHICAGO RIVER), LYING NORTH OF A LINE, DESCRIBED AS FOLLOWS, TO WIT.

BEGINNING AT A POINT ON THE EAST LINE OF SOUTHEAST 1/4 OF SAID SECTION, A DISTANCE OF 1213.18 FEET NORTH OF THE SOUTHEAST CORNER THEREOF; THENCE WEST AT AN ANGLE OF 90 DEGREES SOUTH TO WEST, A DISTANCE OF 40.00 FEET; THENCE SOUTHWESTERLY ON A LINE WITH AN ANGLE OF 164 DEGREES, 24 MINUTES, MEASURED FROM EAST TO SOUTHWEST FROM LAST DESCRIBED LINE, A DISTANCE OF 259.98 FEET; THENCE SOUTHWESTERLY ON A LINE WITH A DEFLECTION OF 36 MINUTES TO LEFT FROM LAST DESCRIBED LINE, A DISTANCE OF 849.63 FEET; THENCE SOUTHWESTERLY ON A LINE WITH A DEFLECTION OF 17 MINUTES TO THE LEFT FROM LAST DESCRIBED LINE, A DISTANCE OF 234.76 FEET; THENCE SOUTHWESTERLY ON A LINE WITH A DEFLECTION OF 04 DEGREES, 28 MINUTES, 15 SECONDS TO THE RIGHT, FROM LAST DESCRIBED LINE, A DISTANCE OF 210.14 FEET; THENCE SOUTHWESTERLY ON A LINE WITH A DEFLECTION OF 02 DEGREES, 54 MINUTES, 30 SECONDS TO THE RIGHT FROM LAST DESCRIBED LINE, A DISTANCE OF 482.82 FEET;

THENCE SOUTHWESTERLY ON A LINE WITH A DEFLECTION OF 06 MINUTES, 52 SECONDS TO THE LEFT FROM THE LAST DESCRIBED LINE, A DISTANCE OF 411.74 FEET; THENCE SOUTHWESTERLY ON A LINE WITH A DEFLECTION OF 03 DEGREES, 13 MINUTES, 30 SECONDS TO THE LEFT FROM THE LAST DESCRIBED LINE, A DISTANCE OF 259.35 FEET TO A POINT ON THE WEST LINE OF SAID SOUTHEAST 1/4, A DISTANCE OF 606.821 FEET NORTH OF THE SOUTHWEST CORNER OF SAID SOUTHEAST 1/4, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THAT PORTION OF THE SOUTHEAST 1/4 OF SECTION 33, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF SAID SOUTHEAST 1/4 OF SECTION 33, WHICH IS 1174.48 FEET NORTH OF THE SOUTHEAST CORNER OF SAID SECTION AND RUNNING THENCE NORTH ALONG SAID EAST LINE OF THE SOUTHEAST 1/4, A DISTANCE OF 38.70 FEET TO A POINT 1213.18 FEET NORTH OF SAID SOUTHEAST

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CORNER; THENCE WEST PERPENDICULAR TO SAID EAST LINE OF SOUTHEAST 1/4, A DISTANCE OF 40.00 FEET; THENCE SOUTHWESTERLY ON A LINE WITH AN ANGLE OF 164 DEGREES, 24 MINUTES, MEASURED FROM EAST TO SOUTHWEST FROM LAST DESCRIBED LINE, A DISTANCE OF 259.98 FEET TO A POINT WHICH IS 290.41 FEET (MEASURED PERPENDICULAR WEST OF SAID EAST LINE OF THE SOUTHEAST 1/4 AND THENCE EASTERLY, A DISTANCE OF 292.08 FEET TO THE POINT OF BEGINNING;

EXCEPTING FROM THE ABOVE DESCRIBED LAND THE EAST 50.00 FEET THEREOF FALLING IN CICERO AVENUE, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

A STRIP OF LAND 20.00 FEET WIDE AND 1705.1 FEET LONG IN THE SOUTHEAST 1/4 OF SECTION 33, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF SAID SOUTHEAST 1/4, 957 FEET SOUTH OF THE NORTHWEST CORNER THEREOF; THENCE SOUTH ALONG SAID WEST LINE 1705.1 FEET TO THE SOUTHWEST CORNER OF SAID 1/4 SECTION; THENCE EAST 20 FEET; THENCE NORTH PARALLEL WITH SAID WEST LINE 1705.1 FEET; THENCE WEST 20 FEET TO THE POINT OF BEGINNING; EXCEPTING THEREFROM THE SOUTH 606.82 FEET OF THE ABOVE DESCRIBED LAND, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

THAT PART OF THE NORTH 1/2 OF THE SOUTH 1/2 OF BLOCK 'A' (EXCEPT THE EAST 80.00 FEET AND EXCEPT THE WEST 8.00 FEET) IN CALVIN F. TAYLOR'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 33, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE SOUTH LINE OF WEST 37TH STREET AND NORTH OF THE NORTH LINE OF WEST 38TH STREET, IN COOK COUNTY, ILLINOIS.

Common Address:

3501 S. LARAMIE, CICERO, IL 60804

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