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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Doc#: 1613256131 Fee: \$56.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 05/11/2016 10:33 AM Pg: 1 of 10

Report Mortgage Fraud
800-532-8735

The property identified as: **PIN: 20-02-113-071-0000**

Address:

Street: 4143 S Drexel Avenue

Street line 2:

City: Chicago

State: IL

ZIP Code: 60653

Lender: 4143 Drexel LLC

Borrower: Lisa Pilot Investment LLC

Loan / Mortgage Amount: \$305,255.23

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: 584276CD-5DDBB-49E6-8BA5-32D826FAD342

Execution date: 5/10/2016

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PREPARED BY AND MAIL TO:

Elisha M. Prero, Esq.
 PreroLaw, P.C.
 8424 Skokie Blvd.
 Suite 200
 Skokie, Illinois 60077

MORTGAGE

THIS MORTGAGE ("Mortgage") made as of the 2nd day of May, 2016, by and between Lisa Pilot Investments LLC, an Illinois limited liability company ("Mortgagor") and 4143 Drexel LLC, an Illinois limited liability company ("Mortgagee").

WITNESSES:

THAT, WHEREAS, Mortgagor is justly indebted to Mortgagee in the principal sum of **THREE HUNDRED FIVE THOUSAND TWO HUNDRED FIFTY-FIVE AND 23/100THS DOLLARS (\$305,255.23)**, evidenced by that certain promissory note in that amount executed by Mortgagor of even date with this Mortgage, made payable to the order of Mortgagee (the "Note") Pursuant to the Note, Mortgagor promises to pay the principal sum and interest at the rate, on the date(s) and otherwise as provided in the Note, with a final payment of the balance, if not sooner paid, due on the earlier of demand or the first (1st) anniversary of the date of the Note, and all of the principal and interest are payable at such place as the holder of the Note may, from time to time in writing appoint, and in the absence of such appointment, then to Mortgage c/o PreroLaw, P.C., 8424 Skokie Blvd., Suite 200, Skokie, IL 60077.

At no time shall the principal amount of indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed **SIX HUNDRED TEN THOUSAND FIVE HUNDRED TEN AND 46/100THS DOLLARS (\$610,510.46)**.

NOW, THEREFORE, Mortgagor, to secure the payment of the principal sum of money and interest in accordance with the terms, provisions and limitations of this Mortgage, and of the Note secured by the Mortgage, and any substitutions and replacements of such balance, and any other sums advanced by Mortgagee to protect the security of this Mortgage or discharge the obligations of Mortgagor under this Mortgage, and the performance of the covenants and agreements contained in this Mortgage by

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Mortgagor to be performed, and also in consideration of the sum of TEN AND 00/100THS DOLLARS (\$10.00) in hand paid and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, does, by these presents, **GRANT, BARGAIN, SELL, ASSIGN, RELEASE, ASSIGN, TRANSFER, REMISE, CONVEY AND MORTGAGE** unto Mortgagee, her successors and assigns forever, and represents and warrants to Mortgagee and grants to Mortgagee and her successors and assigns forever, a continuing security interest in and to the following described real estate and all of its estate, right, title and interest therein, situate, lying and being in the County of Lake and State of Illinois, to wit:

LOT 12 AND THE NORTH 4 FEET OF LOT 13 IN F.B. CLARKE SUBDIVISION OF LOTS 4 TO 13, INCLUSIVE AND THE SOUTH 1/2 OF LOT 3 IN BLOCK 2 IN BAYARD AND PALMER'S ADDITION TO THE NORTHWEST 1/4 OF SECTION 2, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Commonly known as: 4143 S. Drexel Boulevard, Chicago, Illinois 60053
Permanent index No.: 20-02-113-071-0000

which is referred to in this Mortgage as the "Premises" **TOGETHER** with all improvements, tenements, easements, hereditaments, fixtures, and appurtenances hereunto belonging and all rents, issues and profits thereof and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily, and all apparatus, equipment or articles now or hereafter used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled, and ventilation including (without restricting the foregoing), screens, storm doors and windows, floor coverings, awnings, and water heaters, except all equipment and other personal property used at the Premises which are not fixtures or are used in the business operated at the Premises. All of the foregoing are declared to be a part of said real estate whether physically attached to the Premises or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the Premises by Mortgagor or its successors or assigns shall be considered as constituting part of the real estate.

TO HAVE AND TO HOLD the Premises unto Mortgagee, its successors and assigns forever, for the purposes herein set forth.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

1. **Maintenance, Repair and Restoration of Improvements; Payment of Prior Liens; Insurance, Etc.** Mortgagor shall promptly (a) at its option: (i) repair, restore or rebuild any buildings or improvements hereafter on the Premises which may become materially damaged or be destroyed or, (ii) place funds in escrow at a licensed Illinois title company in an amount equal to the then current outstanding principal balance of the indebtedness secured by this Mortgage; (b) keep said Premises in good condition and repair, without waste, and free from mechanics' liens or claims for lien not expressly subordinated to the lien of this Mortgage, normal wear and tear excepted; (c) pay when due any indebtedness which may be secured by a lien or charge on the Premises superior to the lien of this Mortgage, and upon request, exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee; (d) complete within a reasonable time any building or buildings now or at any time in the process of erection upon the Premises; (e) comply with

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all requirements of law, municipal ordinances or restrictions of record with respect to the Premises and the use thereof; (f) keep all buildings and improvements now or in the future situated on the Premises insured against loss or damage by fire, lightning or windstorm under policies providing for payment by the insurance companies of monies sufficient either to pay the cost of replacing or repairing the buildings and improvements or to pay in full the indebtedness secured by this Mortgage all in companies with Best's rating of A or better, under insurance policies payable, in case of loss or damage, to Mortgagee, such rights to be evidenced by the standard mortgage clause to be attached to each policy; and to deliver a certificate evidencing such clause to Mortgagee upon issuance and renewal; (i) pay each item of indebtedness secured by this Mortgage when due according to the terms hereof or of the Note secured hereby. Notwithstanding the above, Mortgagor shall have the right to contest those items mentioned in clauses (b) and (e) in this Paragraph 1, so long as Mortgagor posts security with Mortgagee, or a title company, necessary in the reasonable discretion of Mortgagee to protect Mortgagee's security granted hereby and to pay off said item in the event the contest is unsuccessful. Mortgagor shall not be entitled to interest on any such funds posted as security.

2. Representations and Covenants. Mortgagor hereby represents and covenants to Mortgagee that:

2.1. Validity of Loan Instruments. (a) The execution, delivery and performance by Mortgagor of the Note, this Mortgage, and all additional security documents, and the borrowing evidenced by the Note (1) are within the powers of Mortgagor (2) have been duly authorized by all requisite actions; and (3) do not violate, to the best of Mortgagor's knowledge, any provision of any law, any order of any court or agency of government or any indenture, agreement or other instrument to which Mortgagor is a party, or by which it or any portion of the Premises is bound, or be in conflict with, result in a breach of, or constitute with due notice and/or lapse of time a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever, upon any of its property or assets, except as contemplated by the provisions of this Mortgage and any additional documents securing the Note; and (b) the Note, this Mortgage and any additional documents securing the Note, when executed and delivered by Mortgagor, will constitute the legal, valid and binding obligations of Mortgagor, if any, in accordance with their respective terms.

2.2. Other Information. All information that Mortgagor has delivered to Mortgagee, its agents, employees, representatives or counsel in respect of Mortgagor, and all other documents securing the payment of the Note secured by this Mortgage are accurate and correct in all material respects.

2.3. Litigation. There is not now pending against or affecting Mortgagor or others obligated under the terms of this Mortgage and all other documents securing the payment of the Note, nor, to the knowledge of Mortgagor, is there threatened any action, suit or proceeding at law or in equity or by or before any administrative agency which, if adversely determined, could materially impair or affect the financial condition or operation of Mortgagor or the Premises.

3. Payment of Taxes. Subject to Mortgagor's right to contest, Mortgagor shall pay before any penalty attaches, all general taxes, and shall pay special taxes, special

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assessments, water charges, sewer service charges, and other charges against the Premises when due, and shall, upon written request, furnish to Mortgagee duplicate receipts therefor. To prevent default under this Mortgage, Mortgagor shall pay in full under protest, in the manner provided by statute, any tax or assessment that Mortgagor may desire to contest.

4. **Prepayment Penalties.** Mortgagor will have the right to prepay the indebtedness secured by this Mortgage in whole or in part at any time without premium, penalty or notice.

5. **Mortgagee's Performance of Defaulted Acts.** In case of default (after the expiration of all applicable cure periods), Mortgagee may, but need not, make any payment or perform any act required of Mortgagor in any form and manner deemed expedient. In such event, if Mortgagee makes any such payment or performs any such act, Mortgagee must give notice to Mortgagor that Mortgagee is doing so at the time Mortgagee acts. By way of illustration and not in limitation of the foregoing, Mortgagee will have the right, but not the obligation, to do all or any of the following: make payments of principal or interest or other amounts on any lien, encumbrance or charge on any part of the Premises; complete construction; make repairs; collect rents; prosecute collection of any sums due with respect to the Premises; purchase, discharge, compromise or settle any tax lien or any other lien, encumbrance, suit, proceeding, title or claim thereof; contest any tax or assessment; and redeem from any tax sale or foreclosure affecting the Premises. All monies paid for any of the purposes authorized in this Mortgage and all expenses paid or incurred in connection with, including reasonable attorneys' fees, and any other monies advanced by Mortgagee to protect the Mortgaged Premises and the lien hereof, shall be so much additional indebtedness secured hereby, and shall become immediately due and payable upon the performance by Mortgagee, so long as notice is simultaneously delivered to Mortgagor with interest thereon as the Default Rate.

6. **Acceleration of Indebtedness in Case of Default.** It shall be a default under this Mortgage if one or more of the following events (each, an "Event of Default") shall occur: (a) if default be made in the due and punctual payment of the Note, either of principal or interest or in the payment of any sum required to be paid by Mortgagor or the maker of the Note required or set forth in the Note or pursuant to this Mortgage; (b) if Mortgagor shall file a petition in voluntary bankruptcy or under Title 11 of the United States Code or any other similar law, statute or regulation, state or federal, whether now or hereafter existing, or answer admitting insolvency or inability to pay its debts, or fail to obtain a vacation or stay of involuntary proceedings within sixty (60) days; (c) if Mortgagor shall be adjudicated a bankrupt, or a trustee or receiver shall be appointed for Mortgagor for all of its property or the major part of its property in any involuntary proceedings, or any court shall have taken jurisdiction of the property of Mortgagor, or the major part of its property in any involuntary proceedings for the reorganization, dissolution, liquidation or winding up of Mortgagor and such trustee or receiver shall not be discharged or such jurisdiction relinquished or vacated or stayed on appeal or otherwise stayed within sixty (60) days; (d) if Mortgagor shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or trustee or liquidator of all of its property or the major part thereof; (e) if default shall be made in the due observance or performance of any other of the covenants, agreements or conditions contained in this Mortgage and required to be kept or performed or observed by Mortgagor; (f) if any material representation made by Mortgagor or others in, under or pursuant to the Note, this Mortgage shall prove to have

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been false or misleading in any material aspect as of the date on which such representation was made; (g) if the holder of a mortgage or of any other lien on the Premises (without hereby implying Mortgagee's consent to any such mortgage or other lien) institutes foreclosure proceedings or other proceedings for the enforcement of its remedies thereunder; (h) the sale or other conveyance of the Premises or a substantial part of the assets of Maker; or (i) the direct or indirect acquisition by any person or group of personal ownership or control of a controlling interest of Maker; then, upon the occurrence of any such Event of Default, and in every such case, the whole of the principal sum hereby secured shall, at once, at the option of Mortgagee, become immediately due and payable, together with accrued interest thereon and any and all other accrued and unpaid charges, on notice to Mortgagor.

7. Foreclosure; Expense of Litigation. When the indebtedness, or any part of the indebtedness, shall become due, whether by acceleration or otherwise, then subject to ten (10) days notice, during which period Mortgagee shall have the opportunity to cure, Mortgagee shall have the right to foreclose the lien hereof for such indebtedness or part thereof, and upon the occurrence of an Event of Default, the holder of the Note shall have the right to accelerate the payment of same and institute proceedings to foreclose this Mortgage for the entire amount then unpaid with respect to the Note and this Mortgage. In any suit to foreclose the lien hereof, there shall be allowed and included an additional indebtedness in the decree for sale, all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises. All expenditures and expenses of the nature in this Paragraph mentioned, and such expense and fees as may be incurred in the protection of said Premises and the maintenance of the lien of this Mortgage, including the reasonable fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Note or the Premises, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest at the Default Rate, defined below, and shall be secured by this Mortgage.

7.1. This Mortgage may be foreclosed once against all, or successively against any portion or portions of the Premises, as Mortgagee may elect. This Mortgage and this right of foreclosure shall not be impaired or exhausted by one or any foreclosure or by one or any sale, and may be foreclosed successively and in parts, until all of the Premises have been foreclosed against and sold.

7.2. Any costs and expenses reasonably incurred in connection with any litigation affecting the debt or Mortgagee's title to the Premises shall be added to and be a part of the indebtedness secured by this Mortgage. All such amounts shall be payable by Mortgagor to Mortgagee upon formal demand, and if not paid, shall be included as a part of the mortgage debt and shall include interest at the Default Rate, defined below, from the dates of their respective expenditures. Notwithstanding the above, Mortgagor

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shall not be liable for Mortgagee's attorneys' fees if Mortgagor is successful in a dispute between Mortgagor and Mortgagee concerning impairment of the security interest granted by this Mortgage.

7.3. The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding Paragraph; second, all other items which, under the terms of this Mortgage, constitute secured indebtedness additional to that evidenced by the Note, with interest as provided in this Mortgage; third, all principal and interest remaining unpaid on the Note in the order of priority described in the Note; fourth, any surplus to Mortgagor, its successors or assigns, as their rights may appear.

7.4. After an Event of Default, Mortgagee shall have the right and option to commence a civil action to foreclose the lien on this Mortgage and to obtain an order or judgment of foreclosure and sale, subject to the rights of any tenant or tenants of the Premises. The failure to join any tenant or tenants of the Premises as party defendants in any such civil action or the failure of any such order or judgment to foreclose their rights shall not be asserted by Mortgagor as a defense in any civil action instituted to collect the indebtedness secured hereby, or any part thereof, or any deficiency remaining unpaid after foreclosure and sale of the Premises, any statute or rule of law at any time existing to the contrary notwithstanding.

8. **Due on Sale or Encumbrance Subordination.** In the event Mortgagor, or in the event Mortgagor is a land trust or the beneficiary thereof (or both), shall otherwise suffer or permit its or his legal or beneficial interest in the Premises to become vested in or become encumbered by any person or persons, firm or corporation who was not, at the date of execution of this Mortgage, so vested with a legal or beneficial interest in the Premises, or Mortgagee of a note secured by an encumbrance on the Premises, or in the event Mortgagor increases the amount of indebtedness owed to any mortgagee of the Premises above the amount of that indebtedness owed to that mortgagee as of the date hereof, then, and in any such event, unless the same shall be done with the prior written consent of Mortgagee, which consent shall not be unreasonably withheld, the happening shall constitute an Event of Default under this Mortgage, and Mortgagee shall be authorized and empowered, at its option, and without affecting the lien created by this Mortgage or the priority of this lien, to declare without notice all sums secured by this Mortgage immediately due and payable. Notwithstanding the above, this Mortgage and the rights of Mortgagee created by this Mortgage are subject and subordinate to all encumbrances currently existing on the Premises.

9. **Security Agreement.** Mortgagor further covenants and agrees that this Mortgage shall operate as a security agreement under the provisions of the Uniform Commercial Code, as now or hereafter amended, with respect to the equipment used and owned by Mortgagor or its affiliate(s) in the operation of the Premises, or any replacements thereof, or additions thereto, and all proceeds thereof, and Mortgagor will execute and deliver such financing statements as the Illinois Uniform Commercial Code requires with respect to such security and that Mortgagor will execute and deliver from time to time such further instruments, including renewal mortgages, security agreements, financing statements, certificate extensions and renewals thereof and such other documents as may

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be required by Mortgagee to preserve, confirm and maintain the lien of this Mortgage on the equipment used in the operation of the Premises, whether now or hereafter acquired, and Mortgagor shall pay to Mortgagee on demand, any reasonable expenses incurred by Mortgagee in connection with the preparation and filing of any such documents.

10. Usury Laws, Etc. Mortgagor represents and agrees that the proceeds of the Note will be used for business purposes only and that the principal obligation secured by this Mortgage constitutes a business loan within the purview of the usury laws of the State of Illinois.

11. No Liability on Mortgagee. Notwithstanding anything contained in this Mortgage, Mortgagee shall not be obligated by virtue of this Mortgage to perform or discharge, and does not by this Mortgage undertake to perform or discharge, any obligation, duty or liability of Mortgagor, whether under this Mortgage, under any lease affecting the Premises, under any contract relating to the Premises or otherwise, and Mortgagor shall and does agree to indemnify against and hold Mortgagee harmless of and from: any and all liability, loss or damage which Mortgagee may incur under or with respect to any portion of the Premises or under or by reason of its exercise of rights under this Mortgage; and any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligation or undertaking on its part to perform or discharge any of the terms, covenants or agreements contained in any of the contracts, documents or instruments affecting any portion of the Premises or affecting any rights of Mortgagor to the Premises except for those arising out of Mortgagee's gross negligence or willful misconduct. Mortgagee shall not have responsibility for the control, care, management or repair of the Premises or be responsible or liable for any negligence in the management, operation, upkeep, repair or control of the Premises resulting in loss or injury or death to any tenant, licensee, employee, stranger or other person. No liability shall be enforced or asserted against Mortgagee in its exercise of the powers granted to it in this Mortgage, and Mortgagor expressly waives and releases any such liability. Should Mortgagor incur any such liability, loss or damage under any of the leases affecting the Premises or under or by reason of this Mortgage, or in the defense of any claims or demands, Mortgagor agrees to reimburse Mortgagee immediately upon demand for the full amount of such expenditures, including costs, expenses and reasonable attorneys' fees.

12. Environmental Matters.

12.1. Mortgagor represents and warrants to the Mortgagee that neither Mortgagor, nor any of its affiliates or subsidiaries, nor, to the best of Mortgagor's knowledge, any other person or entity, has ever caused or permitted any Hazardous Material to be placed, held, located or disposed of in, under or at the Premises or any part thereof, and that the Premises has never been used by Mortgagor, or any other affiliates or subsidiaries, or, to the best of Mortgagor's knowledge, by any other person or entity, as a temporary or permanent dump or storage site for any Hazardous Material. "Hazardous Material" means any hazardous, toxic, or dangerous waste, substance or material defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order of decree regulating, relating to or imposing liability or standards on conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect.

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12.2 Without limitation on any other provision hereof, Mortgagor will indemnify and hold Mortgagee harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses and claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any of the following (collectively, "Environmental Laws"): The Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree, now or hereafter in force, regulating, relating to, or imposing liability or standards on conduct concerning any Hazardous Material paid, incurred, suffered by or asserted against Mortgagee as a direct or indirect result of any of the following regardless of whether or not caused by, or within the control of Mortgagor: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release of any Hazardous Material from (a) the Premises or any part thereof, or (b) any other real property in which Mortgagor or any of their affiliates or subsidiaries holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust the beneficial interest in which is owned, in whole or in part, by the beneficiary of any of its affiliates or subsidiaries), or (ii) any liens against the Premises permitted or imposed by environmental laws, or any actual or asserted liability or obligations of Mortgagor or any of their affiliates or subsidiaries under any environmental laws, or (iii) any actual or asserted liability or obligations of Mortgagor or any of its affiliates or subsidiaries under any environmental law relating to the Premises.

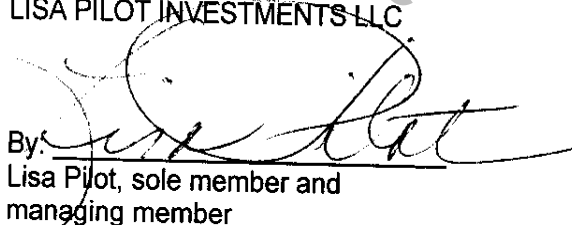
12.3 Mortgagor will comply with all applicable environmental laws, rules and regulations related to hazardous wastes, materials and substances.

12.4 Mortgagor will notify Mortgagee, in writing, immediately after Mortgagor has actual or constructive notice of the release of any hazardous waste, material or substances onto Mortgaged Property and to take prompt and diligent remedial action.

13. Incorporation. The terms of the Note secured by this Mortgage are incorporated into this Mortgage by reference and are specifically made a part of this Mortgage and shall be binding upon Mortgagor, its successors and assigns.

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed on the date and year first above written.

LISA PILOT INVESTMENTS LLC

By: 
Lisa Pilot, sole member and
managing member

