

Illinois Anti-Predatory
Lending Database
Program

Doc#: 1624318030 Fee: \$86.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 08/30/2016 08:52 AM Pg: 1 of 20

Certificate of Exemption

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN:** 05-27-108-019-0000

Address:

Street: 1223 Oakridge Drive

Street line 2:

City: Streamwood

State: IL

ZIP Code: 60107

Lender: The MINT National Bank

Borrower: Viralkumar Patel and Vignaben Patel

Loan / Mortgage Amount: \$250,000.00

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: 8315F9C5-0DEE-4577-81C1-BD2E6080C80C

Execution date: 7/12/2016

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After recordation return to:
 McCrary & Clark, LLP
 19500 State Highway 249, Suite 355
 Houston, Texas 77070

MORTGAGE

(with Security Agreement and Assignment of Rents and Leases)

Viralkumar Patel and spouse, Vignaben Patel (herein called "Borrower", "Mortgagor", or "Grantor", whether one or more) with an address of 9695 Spencer Highway, La Porte, Texas 77571, mortgages, grants, conveys and warrants to **THE MINT NATIONAL BANK**, (herein called "Lender", "Mortgagee", or "Grantee", its successors and/or assigns, whether one or more) with an address of 1213 Kingwood Dr., Kingwood, Texas 77339, the property described on Exhibit "A", to secure the repayment of that certain Promissory Note of even date herewith in the original principal sum of **\$250,000.00** executed by Mortgagor, as Borrower, the said mortgage being dated and duly signed, sealed, and acknowledged by the Mortgagor, shall be deemed and held to be good and sufficient mortgage to the Mortgagee, its heirs, assigns, executors, and administrators, with warranty from the Mortgagor and its legal representatives, of perfect title in the Mortgagor, and against all previous encumbrances.

ARTICLE I

RECITALS

Execution and Delivery of Note

1.01. The Borrower has executed and delivered to the Lender a Note ("Note") bearing the same date as this Mortgage, promising to pay to the Lender the principal sum of **\$250,000.00** in lawful money of the United States of America. This money will be advanced by the Lender to the Borrower, with interest on the principal sum at the rate per year according to the terms and conditions specified in the Note, any unpaid remaining balance provided for in the Note or in this Mortgage being due and payable on or before the date which is **10 years** from the date of Note. The terms of the Note are incorporated into this Mortgage by this reference. This Mortgage and the Note secured hereby are executed and delivered pursuant to that certain U.S. Small Business Administration Loan Authorization under Loan No. **85710050-02**.

The Loan secured by this lien was made under a United States Small Business Administration (SBA) nationwide program which uses tax dollars to assist small business owners. If the United States is seeking to enforce this document, then under SBA regulations:

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- a) When SBA is the holder of the Note, this document and all documents evidencing or securing this Loan will be construed in accordance with federal law.
- b) Lender or SBA may use local or state procedures for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. No Borrower or Guarantor may claim or assert against SBA any local or state law to deny any obligation of Borrower, or defeat any claim of SBA with respect to this Loan.

Any clause in this document requiring arbitration is not enforceable when SBA is the holder of the Note secured by this instrument.

Mortgage of Property

1.02. In consideration of this loan, and as security for repayment to the Mortgagee of the principal, interest, and any other sums provided for in the Note and the Mortgage according to the terms and conditions of the Note and Mortgage, and as security for performance of the covenants, agreements and conditions contained in the Note and the Mortgage together with all modifications, renewals and extensions thereof, the Borrower mortgages, grants and conveys to the Lender and Lender's successors and assigns the real estate described in Exhibit "A", which is attached to this Mortgage and made a part of it by this reference, together with the following:

- (a) All buildings and improvements erected or to be erected on the property;
- (b) All fixtures, appliances, machinery, equipment, and other articles of personal property at any time installed in, attached to, or situated on the real estate or in the buildings and improvements to be erected on the real estate, or used or intended to be used in connection with the real estate, or in the operation of the buildings and improvements, plant, business, or dwelling on the real estate, whether or not the personal property is affixed to the real estate;
- (c) All building materials, fixtures, building machinery, and building equipment delivered on site to the real estate during the course of, or in connection with, construction of the building and improvements;
- (d) All streets, alleys, passages, watercourses, easements, and covenants existing or to be created for the benefit of the Borrower or any subsequent owner or tenant of the mortgaged real estate over ground adjoining the mortgaged real estate, and all rights to enforce their maintenance;
- (e) All other rights, privileges, reversions, and remainders, and all the income, rents, and profits arising from them, and all other interests or rights of the Borrower in the real estate; and
- (f) The replacements or proceeds from the sale of any of the above.

All of the above-mentioned real estate, improvements, personal property, and other property and interests will be referred to in this instrument as the "Mortgaged Property."

Prior Mortgage

1.03. There is one prior mortgage affecting the Mortgaged Property. This Mortgage is secondary and inferior to that certain Mortgage recorded September 12, 2014 as Document 1425504014 executed by

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Viralkumar Patel to Mortgage Electronic Registration Systems, Inc., as nominee for Stearns Lending, LLC to secure a Promissory Note in the original amount of \$150,400.00.

Borrowers Obligations Under Prior Mortgage

1.04. The Borrower agrees to act as follows as long as the Mortgaged Property or any part of it is subject to a Prior Mortgage, if any:

(a) The Borrower will pay the principal, interest, and all other sums when due and payable under the Prior Mortgage no later than their due dates, and will comply with all of the other terms, covenants, and conditions of the Prior Mortgage.

(b) The Borrower will produce to the Lender, on request, receipts or other evidence of payment satisfactory to the Lender with respect to all sums due under the Prior Mortgage.

(c) The Borrower will not enter into any agreement or arrangement, without the prior written consent of the Lender, pursuant to which the Borrower is granted any forbearance or indulgence (as to time or amount) in the payment of any principal, interest, or other sums due under the Prior Mortgage.

Default Under Prior Mortgage

1.05. Any default by the Borrower under the Prior Mortgage, because of the failure to make a payment or otherwise to comply with the terms of the Prior Mortgage, constitutes a default under this Mortgage. Any failure by the Borrower to produce the receipts concerning the Prior Mortgage also constitutes a default under this Mortgage. It also constitutes a default under this Mortgage if the Borrower enters into an agreement contrary to the provisions of Paragraph 1.04, above. In the case of any default under this Mortgage, the Lender has the right, at its election, to declare the entire indebtedness secured by this Mortgage immediately due and payable together with interest and other appropriate charges.

The Lender, at its election, and without notice to Borrower, may make any payments the Borrower has failed to make under the Prior Mortgage. The Lender is not obligated to make these payments. The Lender may add the amount of these payments to the principal debt secured by this Mortgage. Any payment by the Lender does not release the Borrower from the Borrowers obligations or constitute a waiver of the Borrowers default under this Mortgage. The term "Prior Mortgage" shall include any other prior indebtedness or claim involving Borrower.

Copies of Required Documents

1.06. If the Borrower is required to deliver tax receipts and insurance policies to the holder of the Prior Mortgage, the Borrower may deliver photocopies of those documents to Mortgagee within the times set forth in this Mortgage, although this Mortgage otherwise requires delivery of original documents to the Lender.

ARTICLE II

COVENANTS OF BORROWER

Warranty of Title

2.01. The Borrower is lawfully seised of the estate hereby conveyed, has good and marketable fee

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simple title to the Mortgaged Property, free and clear of all liens, encumbrances, charges, and all other conditions except those exceptions and other matters that are filed against the Mortgaged Property in the Official Records of the County where the Mortgaged Property is situated. Borrower has the right to mortgage, grant and convey the Mortgaged Property and Borrower will defend generally the title to the Mortgaged Property against all claims and demands.

Payment and Performance

2.02. The Borrower will pay when due to the Lender, in accordance with the terms of the Note and this Mortgage, the principal, interest, and all other sums, and will perform and comply with all the agreements, conditions, covenants, provisions, and stipulations of the Note, this Mortgage, any Construction Loan Agreement, any other instrument given as security for the Note, and any other written Loan Agreement, including, but not limited to, the SBA Loan Authorization. Payments due under the Note and this Mortgage shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Mortgage is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer. Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in the Loan Documents. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Mortgage or performing the covenants and agreements secured by this Mortgage.

Maintenance of Mortgaged Property

2.03. The Borrower will not commit or permit the commission of waste in or about the Mortgaged Property. The Borrower will not remove, demolish, or structurally alter any building erected at any time on the Mortgaged Property, without the prior written consent of the Lender. The Borrower will not permit the Mortgaged Property to become vacant, deserted, or unguarded, and will maintain the Mortgaged Property in good condition and repair, reasonable wear and tear excepted. The Borrower will make, when necessary, all repairs of every nature.

Condemnation Awards

2.04. All awards made to the owners of the Mortgaged Property by any governmental or other lawful authorities for Mortgaged Property taken or damaged through exercise of eminent domain, or for any

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easement taken in the property, including any awards for changes of grade of streets, are assigned to the Lender who is authorized to collect and receive the proceeds from the authorities and to give proper receipts for those awards. The Lender will apply these payments (after deduction of attorneys' fees and other costs of collecting the funds) toward the payment of the amount owed on this Mortgage and the accompanying Note, even though the amount owed may not then be due and payable. The Borrower agrees, on request, to make any assignments or other instruments needed to assign the awards to the Lender, free and clear of any encumbrances. The Borrower agrees to give the Lender immediate notice of the actual or threatened commencement of any eminent domain proceedings affecting the Mortgaged Property, and will give the Lender copies of any papers served on the Borrower in connection with those proceedings. The Borrower will not make any settlement for damages sustained without the Lenders prior written approval, which approval will not be unreasonably withheld. Lender shall have the right, but the obligation, to designate or otherwise approve of any counsel retained to handle such matter and all expenses of same shall be paid by Borrower.

Insurance

2.05. (a) The Borrower will keep the Mortgaged Property continuously insured, with extended coverage, against loss or damage by fire. The Borrower will also keep the property insured against such other hazards as the Lender may reasonably require.

(b) Without limiting the requirement above, the Borrower will, if requested by the Lender, maintain insurance as follows:

(1) Insurance against loss or damage to the Mortgaged Property by fire and any of the risks covered by insurance of the type now known as "fire and extended coverage." This insurance will be in the original amount of the Note, or in the amount of that percentage of the full replacement cost of all buildings and improvements erected on the property (exclusive of the cost of excavations, foundations, and footings below the lowest basement floor) required to satisfy any applicable coinsurance requirement in any policy, whichever is greater. This insurance will have a deductible from the loss payable for any casualty in an amount acceptable to Lender. The policies of insurance carried in accordance with this Subparagraph will contain the "Replacement Cost Endorsement";

(2) Comprehensive public liability insurance (including coverage for elevators and escalators, if any, on the Mortgaged Property and, if any construction of new improvements occurs after execution of this Mortgage, completed operations coverage for one year after construction of the improvements has been completed) on an "occurrence basis" against claims for personal injury. This coverage will include, without limitation, bodily injury, death, or property damage occurring on, in, or about the Mortgaged Property and the adjoining streets, sidewalks, and passageways;

(3) Workers' compensation insurance (including employer's liability insurance, if requested by the Lender) for all employees of the Borrower engaged on or with respect to the Mortgaged Property in an amount reasonably satisfactory to the Lender, or, if limits are established by law, in the legal amounts;

(4) During the course of any construction or repair of improvements on the Mortgaged Property, builders completed value risk insurance against "all risks of physical loss," including collapse and transit coverage, during construction of such improvements, with deductibles in amounts acceptable to Lender;

(5) Boiler and machinery insurance covering pressure vessels, air tanks, boilers, machinery, pressure piping, heating, air conditioning, elevator and escalator equipment, provided the Mortgaged Property

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contains equipment of that nature, and insurance against loss of occupancy or use arising from any breakdown, in amounts reasonably satisfactory to the Mortgagee;

(6) Business interruption insurance and loss of "rental value" insurance for a period and in amounts satisfactory to the Lender;

(7) Such other insurance as may from time to time be reasonably required by the Lender against the same or other hazards.

(c) All policies of insurance required by the terms of this Paragraph will contain an endorsement or agreement by the insurer that any loss will be payable in accordance with the terms of the policy notwithstanding any act or negligence of the Borrower that might otherwise result in forfeiture of insurance. All policies will also contain an agreement by the insurer waiving all rights of set off, counterclaim, or deductions against the Borrower.

(d) All policies of insurance will be issued by companies and in amounts satisfactory to the Lender. All policies of insurance will contain a mortgagee clause in favor of the Lender, not subject to contribution, and a lenders loss payable endorsement for the benefit of the Lender, all in forms satisfactory to the Lender. The Borrower will furnish the Lender with a signed duplicate original policy with respect to all required insurance coverage. If the Lender consents to provide any of the required insurance through blanket policies carried by the Borrower and covering more than one location, the Borrower will furnish the Lender with a signed certificate of insurance for each policy setting forth the coverage, the limits of liability, the name of the carrier, the policy number, and the expiration date. At least 30 days prior to the expiration of each policy, the Borrower will furnish the Lender with evidence satisfactory to the Lender of the payment of premium and the reissuance of a policy continuing insurance in force as required by this Mortgage. All policies, including policies for any amounts carried in excess of the required minimum and policies not specifically required by the Lender, will be in a form satisfactory to the Lender, will be maintained in full force and effect, and will be assigned and delivered to the Lender, with premiums prepaid, as collateral security for payment of the indebtedness secured by this Mortgage. All policies will contain a provision that the policies will not be canceled or materially amended (including any reduction in the scope or limits of coverage), without at least 15 days prior written notice to the Lender. If all or part of the insurance will expire, be withdrawn, or become void or unsafe by reason of the Borrowers breach of any condition, or become void or unsafe by reason of the value or impairment of the capital of any company in which the insurance may then be carried, or if for any reason whatever the insurance will be unsatisfactory to the Lender, the Borrower will place new insurance on the premises satisfactory to the Lender.

(e) In the event the Borrower fails to provide, maintain, or deliver and furnish to the Lender the policies of insurance required by this Mortgage, the Lender may procure insurance for the risks, covering the Lender's interest. The Borrower will pay all premiums on insurance procured by the Lender promptly on demand. Until payment is made by the Borrower, the amount of all premiums, together with interest at the rate specified in the Note, will be secured by this Mortgage.

(f) In the event of loss, the Borrower will give immediate notice to the Lender, and the Lender may make proof of loss if not made promptly by the Borrower. Each insurance company is hereby authorized and directed to make payment under the insurance, including return of unearned premiums, directly to the Lender instead of to the Borrower and the Lender jointly, and the Borrower appoints the Lender, irrevocably, as the Borrowers attorney-in-fact, to endorse any insurance draft. The Lender will have the right to retain and apply the proceeds of any insurance, at its election, to reduction of the indebtedness secured by this Mortgage, or to restoration or repair of the property damaged. If the Lender becomes the

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owner of any part of the Mortgaged Property by foreclosure or otherwise, the policies, including all rights, title, and interest of the Borrower under those policies, will become the absolute property of the Lender.

(g) Notwithstanding the provisions of Paragraph (e), in the event the Mortgaged Property is damaged by fire or other casualty covered by insurance, the Lender will make the insurance proceeds available to the Borrower for repair and reconstruction of the Mortgaged Property on the following terms and conditions:

(1) The work will be performed by a reputable general contractor satisfactory to the Lender pursuant to plans and specifications satisfactory to the Lender, in the exercise of reasonable business judgment.

(2) The insurance proceeds will be held in trust by the Lender (or by an escrow agent satisfactory to the Lender), to be disbursed periodically as the work progresses in amounts not exceeding 90 percent of the value of labor and materials incorporated into the work. The remaining 10 percent will be released to the Borrower on final completion of the work in accordance with the plans and specifications, and upon a receipt of a release of liens from all contractors and subcontractors engaged in the work.

(3) If the entire insurance proceeds are not used for restoration, the excess proceeds will be applied to the mortgage debt. If the cost of the work will exceed the insurance proceeds, the Borrower will deposit the amount of the excess with the Lender (or the escrow agent) to be disbursed prior to disbursement of the insurance proceeds.

(4) If the damage or destruction is such that the buildings on the Mortgaged Property are totally destroyed, this Paragraph (g) will not apply.

Taxes and Other Charges

2.06. The Borrower will pay all taxes, assessments, water and sewer rents, and other charges or claims assessed, levied, or filed against the Borrower, the Mortgaged Property, or the interest of the Lender in the Mortgaged Property, or that, by law, may have priority over the indebtedness secured by this Mortgage. These expenses will be paid when due and payable and before interest or penalties accrue. The Borrower will provide the Lender with receipts for payments of these amounts no later than the payment dates. If the Borrower, in good faith and by appropriate legal action, contests the validity or amount of any item, the Borrower may establish on its books or by deposit of cash with the Lender, as the Lender may elect, a reserve for the payment in an amount required by the Lender. If a reserve is established, the Borrower will not be required to pay the item or to produce the required receipts while the reserve is maintained and so long as the contest that operates to prevent collection has not been terminated or discontinued adversely to the Borrower, and is maintained and prosecuted with diligence.

Installments for Insurance, Taxes, and Other Charges

2.07. On written request by the Lender, the Borrower will include in the monthly payment of principal and interest, an amount equal to one twelfth of the annual premiums for the fire and extended coverage insurance and the annual real estate taxes, water and sewer rents, special assessments, charges, or claims, and any other item that might become a lien on the Mortgaged Property prior to the lien of this Mortgage. From time to time, the Borrower will pay on demand to the Lender any additional sums necessary to pay taxes and other items, as estimated by the Lender. The amounts paid will be security for payment of taxes and other items and will be used in payment of those items if the Borrower is not otherwise in default.

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under this Mortgage. No amount paid will be deemed to be trust funds but may be commingled with the general funds of the Lender, and no interest will be payable on the amounts. If, pursuant to any provision of this Mortgage, the whole amount of the unpaid principal debt becomes due and payable, the Lender will have the right, at its election, to apply these funds against the entire indebtedness secured by this Mortgage. At the Lenders option, the Lender may waive, and after any waiver may reinstate, the provisions of this Paragraph requiring the monthly payments.

Security Agreement

2.08. This Mortgage constitutes a security agreement under the Uniform Commercial Code and creates a security interest in the personal property included in the Mortgaged Property. The Borrower will execute and file any financing statements or other security agreements the Lender may require to confirm the lien of this Mortgage with respect to the personal property. The Borrower will pay all costs of filing.

Compliance With Laws and Regulations

2.09. The Borrower will comply with all laws, ordinances, regulations, and orders of all federal, state, municipal, and other governmental authorities relating to the Mortgaged Property.

Inspections

2.10. The Lender, and any persons authorized by the Lender, will have the right at anytime, on reasonable notice to the Borrower, to enter the Mortgaged Property at a reasonable hour to inspect and photograph its condition and state of repair.

Declaration of No Set-Off

2.11. Within 5 days after a request by the Lender, the Borrower will certify to the Lender, or to any proposed assignee of this Mortgage, in a duly acknowledged writing, the amount of principal, interest and other charges owing on the obligation secured by this Mortgage. The Borrower will also indicate whether there are any set-offs or defenses against the Mortgage.

Defaults and Right to Remedy

2.12. If the Borrower fails to pay taxes, assessments, water and sewer charges, other lienable claims (not including contested claims), or insurance premiums, fails to make necessary repairs, permits waste, or otherwise fails to comply with its obligations under the Mortgage, the Note, or any other document executed in connection with the Mortgage, then the Lender, at its election and without notice to the Borrower, has the right to make any payment or expenditure that the Borrower should have made, or that the Lender deems advisable, to protect the security of this Mortgage or the Mortgaged Property. Any payment by the Lender will not prejudice the Lenders rights or remedies under this Mortgage. All sums, as well as costs, advanced by the Lender pursuant to this Mortgage will be due immediately from the Borrower to the Lender, will be secured by this Mortgage, and will bear interest as provided in the Note from the date of payment by the Lender until the date of repayment.

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Personal Liability

2.13 The Mortgagor agrees to be personally liable for all indebtedness secured by this Mortgage in accordance with its terms and the terms of the Note.

Assignment of Rents and Leases

2.14 All of the rents, royalties, bonuses, issues, profits, revenue, income, and other benefits derived from the Mortgaged Property or arising from the use or enjoyment of any portion thereof or from any lease or agreement pertaining thereto and liquidated damages following default under such leases, and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by damage to any part of the Mortgaged Property, together with any and all rights that Grantor may have against any tenant under such leases or any subtenants or occupants of any part of the Mortgaged Property (hereinafter called the "Rents"), are hereby absolutely and unconditionally assigned to Mortgagee, to be applied by Mortgagee in payment of the Indebtedness, subject only to the License (hereinafter defined).

2.15 Grantor hereby assigns to Mortgagee all existing and future leases, including subleases thereof, and any and all extensions, renewals, modifications, and replacements thereof, upon any part of the Mortgaged Property (the "Leases"), subject only to the License. Grantor hereby further assigns to Mortgagee all guaranties of tenants' performance under the Leases.

2.16 Prior to an Event of Default (as hereinafter defined), Grantor shall have a limited license (the "License") to exercise and enjoy all incidences of the status of lessor of the Leases and the Rents including, without limitation, the right, without joinder of Mortgagee, to enforce the Leases, unless Mortgagee directs otherwise, and to collect, demand, sue for, attach, levy, recover and receive all Rents as trustee for the benefit of Mortgagee and Grantor, and Grantor shall apply the funds so collected first to the payment of the Indebtedness in such manner as Mortgagee elects and thereafter to the account of Grantor.

2.17 As long as the License is in effect, Grantor covenants to:

- (a) Perform all of his obligations under the Leases and give prompt notice to Mortgagee of any material failure to do so;
- (b) Give immediate notice to Mortgagee of any notice Grantor receives from any tenant or subtenant under any Leases, specifying any claimed default by any party under such Leases;
- (c) Enforce the tenants' obligations under the Leases;
- (d) Defend, at Grantor's expense, any proceeding pertaining to the Leases, including, if Mortgagee so requests, any such proceeding to which Mortgagee is a party; and
- (e) Neither create nor permit any encumbrance upon its interest as lessor of the Leases, except this Deed of Trust and any other encumbrances permitted by this Deed of Trust.

2.18 As long as the License is in effect, Grantor shall not, without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld:

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- (a) Except in the ordinary course of business, receive or collect Rents more than one month in advance;
- (b) Encumber or assign future Rents;
- (c) Except in the ordinary course of business, cancel, terminate or modify any of the Leases, cause or permit any cancellation, termination or surrender of any of the Leases, or commence any proceedings for dispossession of any tenant under any of the Leases, except upon default by the tenant thereunder;
- (d) Enter into any lease for a term in excess of one year or extend any lease for an extended term in excess of one year;
- (e) Permit any assignment of the Leases.

2.19 Mortgagee's acceptance of this assignment shall not, prior to entry upon and taking possession of the Mortgaged Property by Mortgagee, be deemed to constitute Mortgagee a "mortgagee in possession," nor obligate Mortgagee to appear in or defend any proceeding relating to any of the Leases or to the Mortgaged Property, take any action hereunder, expend any money, incur any expenses, or perform any obligation or liability under the Leases, or assume any obligation for any deposits delivered to Grantor by any lessee and not delivered to Mortgagee. Mortgagee shall not be liable for any injury or damage to person or property in or about the Mortgaged Property.

2.20 Grantor hereby appoints Mortgagee its attorney-in-fact, coupled with an interest, empowering Mortgagee to subordinate any Leases to this Deed of Trust.

2.21 Grantor hereby agrees to indemnify and hold Mortgagee and the Trustee harmless from all liability, damage or expense incurred by Mortgagee from Mortgagee's operation of the Mortgaged Property or any claims under the Leases, including, without limitation, claims by tenants for security deposits or for rental payments more than one (1) month in advance and not delivered to Mortgagee. All amounts indemnified against hereunder, including reasonable attorneys' fees if paid by Mortgagee, shall bear interest at the maximum lawful rate, or if there is no maximum lawful rate at the default rate set forth in the Note, and shall be payable by Grantor immediately without demand and shall be secured hereby.

2.22 Upon request by Mortgagee, Grantor shall deliver to Mortgagee executed originals of all Leases and copies of all records relating thereto.

2.23 There shall be no merger of the leasehold estates, created by the Leases, with the fee estate of the Land without the prior written consent of Mortgagee.

2.24 Grantor hereby authorizes and directs the tenants under the Leases to pay Rents to Mortgagee upon written demand by Mortgagee, without further consent of Grantor, and the tenants may rely upon any written statement delivered by Mortgagee to the tenants. Any such payment to Mortgagee shall constitute payment to Grantor under the Leases.

Hazardous Substances

2.25 As used in this Section: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances:

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gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

2.26 Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

2.27 Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

ARTICLE III

DEFAULT AND REMEDIES

Events of Default

3.01. Any of the following will constitute an "Event of Default":

(a) Failure of the Borrower to pay any installment of principal or interest, or any other sum, on the date it is due under the Note or this Mortgage;

(b) The Borrowers failure to perform any of the other agreements, conditions, or covenants in the Note, the Mortgage, any Loan Agreement or Construction Loan Agreement, any other instrument securing the Note, and the SBA Loan Authorization, or any other document executed in connection with the Mortgage;

(c) The entry of a decree by a court having jurisdiction over the Mortgaged Property with respect to the Borrower in an involuntary case under the federal bankruptcy laws, or any other applicable federal or state bankruptcy, insolvency, or similar laws;

(d) The appointment of a receiver, liquidator, custodian, trustee, (or similar official) for any substantial

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part of the Borrower's property;

(e) A court-ordered winding-up or liquidation of the Borrower's affairs;

(f) The commencement by the Borrower of a voluntary case under the federal bankruptcy laws or any other applicable federal or state bankruptcy, insolvency, or similar laws;

(g) The consent by the Borrower to the appointment of a receiver, liquidator, trustee, custodian, or similar official for any substantial part of the Borrowers property;

(h) The Borrower's making any assignment for the benefit of creditors, or the failure of the Borrower generally to pay its debts as they become due; or

(i) If a final judgment for the payment of money is rendered against the Borrower in an amount greater than \$5,000.00, and, within 30 days after the entry, the judgment has not been discharged or execution stayed pending appeal, or if, within 30 days after the expiration of any stay, the judgment has not been discharged.

For purposes of this Paragraph 3.01, the "Borrower" means the party named as the Borrower in this Mortgage and all persons guaranteeing the Borrowers obligations to the Lender.

Remedies

3.02. (a) If any Event of Default occurs, the entire unpaid balance of principal, accrued interest, and all other sums secured by this Mortgage will become immediately due and payable, at the option of the Lender and without further notice or demand, other than as may be required by applicable law.

(b) When the entire indebtedness becomes due and payable, because of maturity or because of any Event of Default, then the Lender may institute an action of mortgage foreclosure, or take any other action at law or in equity for the enforcement of this Mortgage and realization on the mortgage security that the law may allow. The Lender may proceed to final judgment and execution for the entire unpaid balance of the principal debt, with interest at the rate(s) stipulated in the Note, and all other sums due in accordance with the provisions of the Note and this Mortgage. This amount includes all sums that may have been loaned by the Lender to the Borrower after the date of this Mortgage, and all sums that may have been advanced by the Lender for taxes, water or sewer rents, other lienable charges or claims, insurance, repairs, maintenance, and all costs of the suit. The Borrower authorizes the Lender at its option to foreclose this Mortgage subject to the rights of any tenants of the Mortgaged Property. The Borrower will not assert the failure to make any tenants parties to the foreclosure proceedings as a defense to any proceedings instituted by the Lender to recover the indebtedness secured by this Mortgage or any deficiency remaining unpaid after the foreclosure sale. The mortgagor is not prevented from asserting in any proceedings disputing the amount of the deficiency or the sufficiency of any bid at the foreclosure sale that any tenants adversely affect the value of the Mortgaged Property.

(c) When the entire indebtedness becomes due and payable, because of maturity or because of any Event of Default, the Lender may enter into possession of the Mortgaged Property, with or without legal action. In the alternative, the Lender will be entitled to appointment of a receiver without regard to the solvency of the Borrower or any other person liable for the debt secured by this Mortgage, and regardless of whether the Lender has an adequate remedy at law. Either the Lender or a receiver may rent the Mortgaged Property for any period and on any terms and conditions that the Lender or receiver may see fit. The Lender or the receiver may collect rents, and, after deducting all costs of collection and

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administration expense, apply the net rentals to the payment of taxes, water and sewer rents, other lienable charges and claims, and insurance premiums, and to the maintenance, repair, or restoration of the Mortgaged Property, or to the reduction of the principal or interest, as the Lender or the receiver may elect. For that purpose, the Borrower assigns to the Lender all rentals due under any existing or future lease of the Mortgaged Property, as well as all rights and remedies provided in the lease or at law or in equity for the collection of the rentals. Any lease or leases entered into by the Lender or the receiver pursuant to this Paragraph 3.02 will survive foreclosure of the Mortgage and repayment of the debt, unless the lease provides otherwise.

(d) When the entire indebtedness becomes due and payable, because of maturity or because of any Event of Default, the Lender has the power to grant, bargain, sell, release, and convey the premises with the appurtenances at public auction and to execute and deliver to the purchaser or purchasers, good and sufficient deeds of conveyance as provided by statute, and from the proceeds to retain all sums due according to this Mortgage and the Note, including the costs and charges of the sale, and reasonable attorneys' fees provided by law, returning the surplus money, if any, to the Borrower, or the Borrowers successors or assigns.

(e) With respect to the personal property in which a security interest is granted, the Lender may exercise any of the rights of a secured party under this Mortgage, the Uniform Commercial Code, and any other applicable law. If the Lender is required to provide notice of a public or private sale, lease, or other disposition of the personal property, the notice may be personally delivered to the Borrower or may be deposited in the United States mail with postage prepaid, at least 10 business days prior to the proposed action. This notice will constitute commercially reasonable and fair notice to the Borrower of any action.

Attorneys' Fees

3.03. If the Lender becomes a party to any suit or proceeding affecting the Mortgaged Property, the lien created by this Mortgage, or the Lenders interest in the Mortgaged Property, or if the Lender engages counsel to collect any of the indebtedness or to enforce performance of the agreements or covenants of this Mortgage or the Note, the Lender's costs, expenses, and reasonable attorneys' fees will be paid by the Borrower, on demand, with interest at the rate provided in the Note. Until paid they will be deemed to be part of the indebtedness evidenced by the Note and secured by this Mortgage.

ARTICLE IV

ADDITIONAL PROVISIONS

Satisfaction of Mortgage

4.01. If the Borrower pays the Lender the principal sum and all other sums secured by this Mortgage in accordance with the provisions of the Note, then the Lender must provide Borrower with a release of mortgage or other evidence of satisfaction as requested by Borrower.

Assignment

4.02. Except as provided otherwise in this instrument, the Lender may assign this mortgage, together with any and all notes or bonds representing the obligation of the Borrower to make payments, at any time without the prior consent of the Borrower. However, the Lender must give the Borrower actual

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notice of any assignment by certified mail, return receipt requested, before the due date of the next installment payment that is to be paid after the effective date of the assignment. The Lender also agrees to give the Borrower actual notice of any assignment or indorsement of the Note that is being executed in connection with this mortgage; the Lender must give this notice by certified mail, return receipt requested, thirty days before the effective date of the assignment or indorsement. Failure to provide the Borrower with any notice as required in this Paragraph 4.02 shall make the assignment null, void, and of no legal effect. The Lender further agrees to indemnify and hold the Borrower harmless from any loss to any person incurred because of the Lender's failure to give the notices required by this Paragraph 4.02.

Partial Release of Property

4.03. (a) The Lender may agree to release portions of the Mortgaged Property from the lien of this Mortgage, provided no Event of Default has occurred, on the following terms and conditions:

- (1) The portions to be released will consist of only portions approved in advance by Lender.
- (2) Releases will only be made under circumstances approved by Lender.
- (3) The Borrower will pay the Lender for each portion of the Mortgaged Property to be released, the amount set forth in a separate release schedule approved by the Borrower and the Lender, or the balance secured by this Mortgage, whichever is less.
- (4) Each request for a release will include a field survey of the area to be released if the Lender so requests, a release instrument in form and substance satisfactory to the Lender, and a check for the appropriate amount.
- (5) The Lender will not be obligated to deliver any release unless the real estate remaining subject to the lien of this Mortgage has a right of access to a public highway for vehicles and pedestrians and access to utility and service facilities for providing the whole or any part of the Mortgaged Property with water, sanitary sewer, storm sewer, electricity, gas, and street lighting services; and complies in all respects with applicable zoning and subdivision ordinances and all other requirements of law.
- (6) All costs incident to the preparation and recording of release documents will be borne by the Borrower.

Other Financing

4.04. The Borrower will not create or permit to exist any other lien on, or security interest in, any portion of the Mortgaged Property (including any furniture, fixtures, machinery, and equipment used in connection with the Mortgaged Property), without prior written consent of Lender. The Borrower will not lease any furniture, fixtures, machinery, and equipment and will not incur any indebtedness to purchase any furniture, fixtures, machinery, and equipment, except as contemplated by this Mortgage, without the prior written consent of the Lender.

Due-on-Sale Clause

4.05. Without the prior written consent of the Lender, the Borrower will not cause or permit any sale,

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exchange, transfer, lease, or conveyance ("transfer") of any part of the Mortgaged Property, or any interest in it, voluntarily or by operation of law. If the Borrower is a corporation, any change in the ownership of the corporate stock of the Borrower or the issuance of additional stock that results in the transfer of control and management of the Borrower will be deemed to be a transfer of the Mortgaged Property within the meaning of this Article. If the Borrower is a partnership, any change in the ownership of partnership interests of the Borrower will be deemed to be a transfer of the Mortgaged Property within the meaning of this Article.

Financial Statements

4.06. (a) As long as the debt secured by this Mortgage remains unpaid, the Borrower agrees to annually provide the Lender with audited statements prepared by a certified public accountant showing the annual income and expenses relating to the Mortgaged Property and a balance sheet for the Borrower. Each annual report will be certified by an officer or a partner of the Borrower as being true, correct, and complete. Annual reports and other financial documentation shall be provided as agreed between Borrower and Lender.

(b) Any parties guaranteeing the obligation of the Borrower will provide financial statements to the Lender as required by the applicable guaranty agreement.

Notices

4.07. All notices permitted or required under this Mortgage or the Note will be in writing, and will be sent by registered or certified mail, postage prepaid, addressed to the addressee at the address set forth in this Mortgage or in the Note, or at such other address as the addressee may designate in writing from time to time.

State Law to Apply

4.08. This Mortgage shall be construed under and in accordance with the laws of the State where the Mortgage Property is located.

Amendment

4.09. This Mortgage cannot be changed or amended except by agreement in writing signed by the party against whom enforcement of the change is sought.

Parties Bound

4.10. This Mortgage will be binding on and inure to the benefit of the parties and their respective heirs, personal representatives, successors, and assigns. The terms "Borrower" or "Mortgagor" or "Grantor" shall mean the party so named in this Mortgage and all persons guaranteeing the Borrower's obligations to Lender.

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Joint and Several Liability

4.11. All agreements, covenants, and other provisions, affecting the Borrower will be joint and several, and will bind and affect all persons who are defined as "the Borrower as fully as though all of them were specifically named wherever the word "the Borrower" is used.

Interest Rate

4.12. Regardless of any provision in this Mortgage or in the Note, the Borrowers liability for interest will not exceed the limits imposed by the then applicable usury law. If any clause in the Note or this Mortgage requires interest payments in excess of the highest rate permitted by the then applicable usury law, the clause in question will be deemed to require payment at the highest interest rate allowed by that law.

Captions

4.13. The captions preceding the text of the paragraphs or subparagraphs of this Mortgage are inserted only for convenience of reference and will not constitute a part of this Mortgage, nor will they in any way affect its meaning, construction, or effect.

Marital Status

4.14. The marital status of any individual mortgagors executing this Mortgage is as follows: Viralkumar Patel and Vignaben Patel are husband and wife.

No Waiver

4.15. No waiver of any default on the part of Borrower or breach of any of the provisions of this Mortgage or of any other instrument executed in connection with the Indebtedness shall be considered a waiver of any other or subsequent default or breach, and no delay or omission in exercising or enforcing the rights and powers herein granted shall be construed as a waiver of such rights and powers, and likewise no exercise or enforcement of any rights or powers hereunder shall be held to exhaust such rights and powers, and every such right and power may be exercised from time to time. Acceptance by Beneficiary of partial payments shall not constitute a waiver of the default by failure to make full payments.

Severability

4.16. If any provision of this Mortgage is held to be illegal, invalid, or unenforceable under present or future laws effective while this Mortgage is in effect, the legality, validity and enforceability of the remaining provisions of this Mortgage shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable provision there shall be added automatically as part of this Mortgage a provision that is legal, valid and enforceable and as similar in terms to such illegal, invalid or unenforceable provision as may be possible. If any of the Indebtedness shall be unsecured, the unsecured portion of the

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Indebtedness shall be completely paid prior to the payment of the secured portion of such Indebtedness, and all payments made on account of the Indebtedness shall be considered to have been paid on and applied first to the complete payment of the unsecured portion of the Indebtedness.

Waiver of Valuation, Appraisement and Homestead

4.17 Borrower waives all right of valuation and appraisement and all right of homestead and redemption.

Executed on the 2 day of JULY, 2016 at Kingswood, Texas

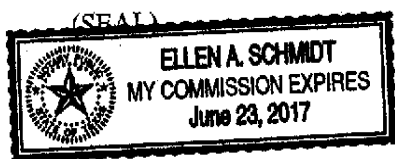
MORTGAGOR:

Viralkumar Patel
Viralkumar Patel

Vignaben Patel
Vignaben Patel

STATE OF TEXAS)
COUNTY OF HARRIS)

Before me, the undersigned, a Notary Public, in and for the said County and State, this 2 day of JULY, 2016, personally appeared **Viralkumar Patel**, said person being over the age of 18 years, and acknowledged the execution of the foregoing instrument.



Ellen A. Schmidt
Notary Public, STATE OF TEXAS

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STATE OF TEXAS)
)
 COUNTY OF HARRIS)

Before me, the undersigned, a Notary Public, in and for the said County and State, this 12 day of JULY, 2016, personally appeared **Vignaben Patel**, said person being over the age of 18 years, and acknowledged the execution of the foregoing instrument.



Ellen A. Schmidt
 Notary Public, STATE OF TEXAS

Prepared in the Office of and after recordation return to:

McCrary & Clark, L.L.P.
 19500 State Highway 249, Suite 355
 Houston, Texas 77070

I affirm, under the penalties of perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law. (J. Wm. Clark, McCrary & Clark, LLP)

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Exhibit "A"

(Legal Description)

Legal Description: THAT PART OF LOT 12 IN BLOCK 3 IN OAK RIDGE TRAIL UNIT 2, BEING A SUBDIVISION OF PARTS OF THE SOUTHWEST 1/4 OF SECTION 22 AND THE NORTHWEST 1/4 OF SECTION 27 BOTH IN TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JULY 19, 1988 AS DOCUMENT NO. 88-317460, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 12; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF SAID LOT 12 A DISTANCE OF 125 FEET TO THE NORTHWEST CORNER OF SAID LOT 12, THENCE NORTHEASTERLY AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, ALONG THE NORTHERLY LINE OF SAID LOT 12, A DISTANCE OF 56.09 FEET; THENCE SOUTHEASTERLY ALONG A LINE WHICH FORMS A DEFLECTION ANGLE TO THE RIGHT OF 95 DEGREES 44 MINUTES 56 SECONDS WITH THE EXTENSION OF THE LAST DESCRIBED LINE, A DISTANCE OF 128.18 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID LOT 12; THENCE SOUTHWESTERLY ALONG SAID SOUTHERLY LOT LINE, SAID LINE BEING ALSO AN ARC OF A CIRCLE, CONVEX TO THE NORTHWEST, HAVING A RADIUS OF 370 FEET, AN ARC-DISTANCE OF 43.35 FEET OF THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

Permanent Index #'s: 06-27-108-019-0000 Vol. 0061

Property Address: 1223 Oakridge Drive, Streamwood, Illinois 60107

Cook County Clerk's Office