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## Illinois Anti-Predatory Lending Database Program

### Certificate of Exemption



Doc# 1628044058 Fee \$52.00  
RHSP Fee:\$9.00RPRF Fee \$1.00  
Karen A.Yarbrough  
Cook County Recorder of Deeds  
Date: 10/06/2016 03:56 PM Pg: 1 of 8

**Report Mortgage Fraud**  
800-532-8785

The property identified as: **PIN:** 17-10-208-020-1094

**Address:**

**Street:** 600 N. Lake Shore Drive, Unit 2805

**Street line 2:**

**City:** Chicago

**State:** IL

**ZIP Code:** 60611

**Lender:** BMO Harris Bank N.A.

**Borrower:** James Spellman

**Loan / Mortgage Amount:** \$3,800,000.00

This property is located within the program area and is exempt from the requirements of 765 ILCS 77/70 et seq. because it consists of more than 4 units.

**Certificate number:** 44B8E2C4-E832-4578-89F1-D8EAF61D5FD3

**Execution date:** 10/4/2016

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This document was prepared by:  
Thompson Coburn LLP  
55 East Monroe Street, 37<sup>th</sup> Floor  
Chicago, Illinois 60603

After recording return to:  
Thompson Coburn LLP  
55 East Monroe Street, 37<sup>th</sup> Floor  
Chicago, Illinois 60603  
Attn: Bethany A. Bruno

Permanent Tax Index Number: 17-10-208-020-1094

Property Address: 600 N. Lake Shore Dr., Unit 2805, Chicago, IL

## **SECOND REAL ESTATE MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND FIXTURE FILING**

JAMES SPELLMAN, a Illinois resident ("Mortgagor"), hereby MORTGAGES AND WARRANTS unto BMO HARRIS BANK, N.A. ("Mortgagee"), in consideration of the sum of Ten Dollars and other sufficient consideration, receipt of which is hereby acknowledged, the following described real estate situated in Chicago, Cook County, Illinois, as described on Exhibit A attached hereto and incorporated herein by this reference, together with all easements, hereditaments, and appurtenances thereunto now or hereafter belonging or in any way appertaining, all building and other structures now or hereafter situated thereon, all fixtures now or hereafter affixed thereto and the rents, issues and profits thereof (all of which is hereinafter referred to as the "Mortgaged Property").

*"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:*

- 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 Guarantors may claim or assert against SBA any local or state law to deny any obligation or 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."*

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Mortgagor MORTGAGES AND WARRANTS to Mortgagee the real property described in the attached Exhibit A ("Premises") and all buildings, structures and improvements on it.

The land is located in the County of Cook, State of Illinois.

The Premises shall also include all of Mortgagor's right, title and interest in and to the following:

- A. All easements, rights-of-way, licenses, privileges and hereditaments;
- B. All equipment, fittings, fixtures, and articles of personal property of every kind and nature whatsoever, located now or in the future in or on the Premises and used or useable in connection with any present or future operation of the Premises (all of which is called "Fixtures"). It is agreed all Fixtures are part of the Premises and appropriated to the use of the real estate and, whether affixed or annexed or not, shall for the purposes of this Mortgage unless the Mortgagee shall otherwise elect, be deemed conclusively to be real estate and mortgaged and warranted to the Mortgagee;
- C. All awards or payments including interest made as a result of the exercise of the right of eminent domain, any loss of or damage to any building or other improvement on the Premises, any other injury to or decrease in the value of the Premises, any refund due on account of the payment of real estate taxes, assessments or other charges levied against or imposed upon the Premises;
- D. All rents, issues, income and profits of the Premises under present or future leases, or otherwise; and
- E. Any and all riparian rights.

The Premises are unencumbered except for the first mortgage on the Premises and the lien of current taxes, not delinquent and the other encumbrances identified on the attached Exhibit B ("Permitted Encumbrances"). If the Premises is encumbered by Permitted Encumbrances, the Mortgagor shall perform all obligations and make all payments as required by the Permitted Encumbrances. The Mortgagor shall provide copies of all writings pertaining to Permitted Encumbrances, and the Mortgagee is authorized to request and receive that information from any other person without the consent or knowledge of the Mortgagor.

This Mortgage secures the following ("Debt"):

- A. All indebtedness and obligations of Mortgagor owed to the Mortgagee in an aggregate principal amount of Three Million Eight Hundred Thousand and 00/100 Dollars (\$3,800,000.00) under the terms of a Commercial Loan Agreement and related SBA Promissory Note, as any of such documents may be amended or modified from time to time; and
- B. Any extensions, renewals, modifications and replacements, without limit as to number or frequency.

This Mortgage shall also secure the performance of the promises and agreements contained in this Mortgage.

The Mortgagor promises and agrees as follows:

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1. **PAYMENT OF DEBT; PERFORMANCE OF OBLIGATIONS:** The Mortgagor shall promptly pay when due, whether by acceleration or otherwise, the Debt for which the Mortgagor is liable, and shall promptly perform all obligations to which the Mortgagor has agreed under the terms of this Mortgage and any loan documents evidencing the Debt.
2. **TAXES:** The Mortgagor shall pay when due, and before any interest, collection fees or penalties shall accrue, all taxes, assessments, fines, impositions, and other charges which may become a lien prior to this Mortgage.
3. **INSURANCE:** Until the Debt is fully paid, the Mortgagor shall keep the Premises, and the present and future buildings and other improvements on the Premises constantly insured for the benefit of the Mortgagee at replacement cost, against fire and such other hazards and risks customarily covered by the standard form of extended coverage endorsement available in the State of Illinois, including risks of vandalism and malicious mischief, and shall further provide flood insurance (if the Premises are situated in an area designated as a flood risk area by the Director of the Federal Emergency Management Agency or as otherwise required by the Flood Disaster Protection Act of 1973 and regulations issued under it), and such other appropriate insurance as the Mortgagee may require from time to time. All insurance policies and renewals must be acceptable to Mortgagee, must provide for payment to the Mortgagee in the event of loss regardless of any act or omission of the Mortgagor, must require thirty (30) days notice to the Mortgagee in the event of nonrenewal or cancellation, and must be delivered to the Mortgagee.
4. **MAINTENANCE:** The Mortgagor shall keep the Premises in good repair, shall not commit or permit waste on the Premises nor do any other act causing the Premises to become less valuable. Should the Mortgagor fail to effect the necessary repairs, the Mortgagee may at its option and at the expense of the Mortgagor make the repairs for the account of the Mortgagor. The Mortgagor shall use and maintain the Premises in conformance with all applicable laws, ordinances and regulations. The Mortgagee or its authorized agent shall have the right to enter upon and inspect the Premises at all reasonable times.
5. **PAYMENT OF OTHER OBLIGATIONS:** The Mortgagor shall also pay all other obligations which may become liens or charges against the Premises for any present or future repairs or improvements made on the Premises, or for any other goods, services, or utilities furnished to the Premises, and shall not permit any lien or charge of any kind securing the repayment of borrowed funds (including the deferred purchase price for any property) to accrue and remain outstanding against the Premises.
6. **SECURITY AGREEMENT:** This Mortgage also constitutes a security agreement within the meaning of the Uniform Commercial Code of Illinois ("UCC") and Mortgagor grants to Mortgagee a security interest in any Fixtures and other personal property included within the definition of Premises. Accordingly, Mortgagee shall have all of the rights and remedies available to a secured party under the UCC. Upon the occurrence of an event of default under this Mortgage, the Mortgagee shall have in addition to the remedies provided by this Mortgage, the right to use any method of disposition of collateral authorized by the UCC with respect to any portion of the Premises subject to the UCC.

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7. **REIMBURSEMENT OF ADVANCES:** If Mortgagor fails to perform any of its obligations under this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Premises (including but not limited to a lien priority dispute, eminent domain, code enforcement, insolvency, bankruptcy or probate proceedings), then Mortgagee at its sole option may make appearances, disburse sums and take any action it deems necessary to protect its interest (including but not limited to disbursement of reasonable attorneys' fees and entry upon the Premises to make repairs). Any amounts disbursed shall become additional Debt, shall be immediately due and payable upon notice from the Mortgagee to the Mortgagor, and shall bear interest at the highest rate payable on the Debt.
8. **NO ADDITIONAL LIEN:** Mortgagor covenants not to execute any mortgage, security agreement, assignment of leases and rentals or other agreement granting a lien against the interest of Mortgagor in the Premises without the prior written consent of Mortgagee, and then only when the document granting that lien expressly provides that it shall be subject to the lien of this Mortgage for the full amount secured by this Mortgage, and shall also be subject and subordinate to any then existing or future leases affecting the Premises.
9. **REMEDIES UPON DEFAULT:** Upon the occurrence of any default under the Debt or any other obligation secured by this Mortgage, the Mortgagee is authorized to commence foreclosure proceedings against the Premises through judicial proceedings, and in addition or alternatively to take any other actions permitted under applicable law. The proceeds of such sale shall be retained by the Mortgagee up to the amounts due it, including costs of the sale, any environmental investigation and remediation paid for by the Mortgagee, and reasonable attorneys' fees. By executing this Mortgage, the Mortgagor waives, in the event of foreclosure of this Mortgage or the enforcement by the Mortgagee of any other rights and remedies in this Mortgage, any right otherwise available in respect to marshaling of assets which secure the Debt or to require the Mortgagee to pursue its remedies against any other such assets.
10. **REPRESENTATIONS:** Mortgagor represents that it is a corporation duly organized, existing and in good standing under the laws of its state of Illinois, and that the execution and delivery of this Mortgage and the performance of the obligations it imposes are within its powers, have been duly authorized by all necessary action of its members, and do not contravene the terms of its articles of incorporation or Bylaws. The Mortgagor represents that the execution and delivery of this Mortgage and the performance of the obligations it imposes does not violate any law, does not conflict with any agreement by which it is bound, does not require the consent or approval of any governmental authority or any third party, and that this Mortgage is a valid and binding agreement, enforceable in accordance with its terms.
11. **NOTICES:** Notice from one party to another relating to this Mortgage shall be deemed effective if made in writing and delivered to the recipient's address set forth above by any of the following means: (a) hand delivery, (b) registered or certified mail, postage prepaid, with return receipt requested, (c) first class or express mail, postage prepaid, (d) Federal Express, or like overnight courier service, or (e) facsimile, telex or other wire transmission with request for assurance of receipt in a manner typical with respect to communication of that type. Notice made in accordance with this paragraph shall be deemed delivered upon receipt if delivered by hand or wire transmission, three (3) business days after mailing if mailed by first class, registered or

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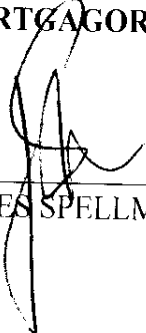
certified mail, or one business day after mailing or deposit with an overnight courier service if delivered by express mail or overnight courier.

12. **MISCELLANEOUS:** If any provision of this Mortgage is in conflict with any statute or rule of law or is otherwise unenforceable for any reason whatsoever, then the provision shall be deemed null and void to the extent of such conflict or unenforceability and shall be deemed severable from but shall not invalidate any other provisions of this Mortgage. No waiver by the Mortgagee of any right or remedy granted or failure to insist on strict performance by the Mortgagor shall affect or act as a waiver of any right or remedy of the Mortgagee, nor affect the subsequent exercise of the same right or remedy by the Mortgagee for any subsequent default by the Mortgagor and all rights and remedies of the Mortgagee are cumulative.

These promises and agreements shall bind and these rights shall be to the benefit of the parties and their respective heirs, successors, and assigns. This Mortgage shall be governed by Illinois law except to the extent it is preempted by federal law or regulation.

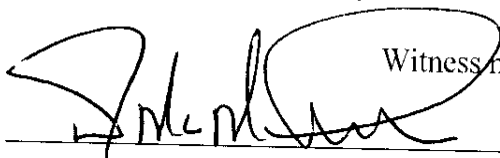
IN WITNESS WHEREOF, Mortgagee has caused this Mortgage to be executed as of the date set forth above.

**MORTGAGOR:**

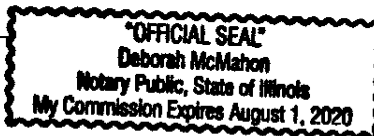
  
\_\_\_\_\_  
JAMES SPELLMAN

STATE OF ILLINOIS                                    )  
  ) SS:  
COUNTY OF Will                                    )

Before me the undersigned, a Notary Public in and for said county and state, personally appeared James Spellman acknowledged the execution of the above and foregoing Second Mortgage.

 Witness my hand and Notarial Seal on October 4, 2016.  
\_\_\_\_\_, Notary Public

My Commission Expires: 8-1-2020



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## EXHIBIT A

### LEGAL DESCRIPTION

UNIT 2805 TOGETHER WITH THE EXCLUSIVE RIGHT TO USE PARKING SPACES P-540 AND P-541 AND STORAGE LOCKER SL-2805 BOTH LIMITED COMMON ELEMENTS IN 600 NORTH LAKE SHORE DRIVE CONDOMINIUM, AS DELINEATED ON THE PLAT OF SURVEY OF THE FOLLOWING DESCRIBED PARCELS OF REAL ESTATE:

THAT PART OF LOTS 17 AND 28 (EXCEPT THAT PART OF LOT 28 TAKEN IN CONDEMNATION CASE 82L111163) IN BLOCK 31 IN CIRCUIT COURT PARTITION OF OGDEN ESTATES SUBDIVISION OF PARTS OF BLOCKS 20, 31 AND 32 IN KINZIE'S ADDITION TO CHICAGO IN THE NORTH HALF OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

WHICH SURVEY IS ATTACHED AS EXHIBIT D TO THE DECLARATION OF CONDOMINIUM RECORDED OCTOBER 2, 2007 AS DOCUMENT NUMBER 0727515047, AS AMENDED FROM TIME TO TIME, TOGETHER WITH THEIR UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS.

COMMONLY KNOWN AS: UNIT 2805 AND THE EXCLUSIVE RIGHT TO USE PARKING SPACES P-540 AND P-541 AND STORAGE UNIT SL-2805 AT 600 NORTH LAKE SHORE DRIVE CONDOMINIUM, CHICAGO, ILLINOIS 60611.

Commonly known as: 600 N. Lake Shore Drive, Unit 2805, Chicago, Illinois  
PIN: 17-10-208-020-1094

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## EXHIBIT B

### Permitted Encumbrances

The lien of current taxes not delinquent.

Existing first mortgage in favor of BMO Harris Bank N.A. in the amount of \$1,400,000.00.

6438528

Property of Cook County Clerk's Office