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## Illinois Anti-Predatory Lending Database Program

### Certificate of Exemption



Report Mortgage Fraud  
844-768-1713



\*1718018170\*

Doc# 1718018170 Fee \$54.00

RHSP FEE:\$9.00 RPRF FEE: \$1.00

KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 06/29/2017 03:06 PM PG: 1 OF 9

The property identified as: **PIN:** 25-05-119-016-0000

**Address:**

**Street:** 8902-8956 SOUTH LOOMIS STREET

**Street line 2:**

**City:** CHICAGO

**State:** IL

**ZIP Code:** 60620

**Lender:** FULL CIRCLE COMMUNITIES, INC.

**Borrower:** BRAINERD PARK APARTMENTS LIMITED PARTNERSHIP

**Loan / Mortgage Amount:** \$516,250.00

This property is located within the program area and is exempt from the requirements of 765 ILCS 7770 et seq. because it is commercial property.

**Certificate number:** A715F8CA-395B-42E8-A949-891AA488F639

**Execution date:** 6/29/2017

*Bm*

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THIS INSTRUMENT PREPARED BY  
AND AFTER RECORDING RETURN TO:

Caleb Jewell  
Applegate & Thorne-Thomsen, P.C.  
440 South LaSalle Street, Suite 1900  
Chicago, IL 60605

**Subordinate Mortgage**

THIS SUBORDINATE MORTGAGE is made as of June 29, 2017, by and between Brainerd Park Apartments Limited Partnership, an Illinois limited partnership, whose address is 310 South Peoria Street, Suite 500, Chicago, Illinois 60607, as Borrower ("Borrower"), and Full Circle Communities, Inc., an Illinois not for profit corporation, whose address is 310 South Peoria Street, Suite 500, Chicago, Illinois 60607 ("Lender").

FOR VALUE RECEIVED, Borrower mortgages and warrants to Lender its interest in land located in the County of Cook and State of Illinois commonly referred to as 8920 South Loomis Street, Chicago, Illinois and legally described as follows:

**See Exhibit A attached hereto and made a part hereof**

together with the easements, improvements, hereditaments, and appurtenances now or hereafter belonging thereto and the rents, income, and profits therefrom and all fixtures now or hereafter attached to or used in connection therewith, and all plumbing, heating, air conditioning, and ventilating equipment now or hereafter located thereon, which shall be deemed to be fixtures and a part of the realty, all of the foregoing being collectively referred to herein as the "Premises."

All rights of the Lender hereunder are subject and subordinate to the rights of the Senior Lenders (as hereinafter defined) under the mortgages securing the Senior Loans (as hereinafter defined).

This Mortgage is given to secure the performance, by Borrower, of all of its obligations under and pursuant to that certain Promissory Note of even date herewith (the "Note") by

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Borrower in favor of Lender in the principal amount of Five Hundred Sixteen Thousand Two Hundred and Fifty Dollars (\$516,250.00). Said indebtedness, together with all other obligations described in the Promissory Note, is hereinafter referred to as the "Obligations". The Obligations, unless sooner paid, mature on July 1, 2049.

Borrower further warrants, represents, covenants, and agrees as follows:

1. *Warranties.* Borrower warrants and represents to Lender that this Mortgage has been authorized by all appropriate corporate action on behalf of Borrower, constitutes the valid and binding obligation of Borrower, enforceable in accordance with its terms.

2. *Taxes: Prior Mortgage.* Borrower will pay, or cause to be paid, when due, all taxes, assessments, and other similar charges levied upon or with respect to the Premises before the same become delinquent and, upon request, deliver to Lender satisfactory evidence of such payment.

3. *Insurance.* Borrower will cause all buildings, improvements and other insurable parts of the Premises to be insured, up to the full current value thereof, against loss or damage by fire, windstorm and other such hazards under what is commonly known as an "all risk" policy of casualty insurance, and Borrower shall cause all premiums on such insurance to be paid when due. All insurance proceeds shall be used to restore any damage to the Premises and shall not be applied to the repayment of the Obligations.

4. *Maintenance and Repair.* Borrower will maintain the Premises in good condition and repair; will not commit or suffer any waste thereon; will cause to be complied with all laws, ordinances, regulations or requirements of any governmental authority applicable to the Premises; will promptly repair, restore, replace, or rebuild any part of the Premises which is damaged or destroyed by any casualty; and will promptly pay when due all charges for utilities and other services to the Premises.

5. *Lender's Right to Perform; Receiver.* If Borrower shall default in the payment of the aforesaid taxes, assessments, or other similar charges or in procuring and maintaining the aforesaid insurance or in the performance of any other obligation of Borrower hereunder, and its obligation to keep the Premises in good condition and repair, then Lender shall have the right, but shall have no obligation, to pay such taxes, assessments, mortgage payments, or other similar charges, or procure and maintain such insurance, or cause such other obligation to be performed, and all sums expended by Lender in connection therewith shall become part of the Obligations, payable by Borrower to Lender upon demand, together with interest at the Note rate.

6. *Condemnation.* If all or part of the Premises are taken, whether temporarily or permanently, under power of eminent domain or by condemnation, all partial condemnation proceeds shall be used to restore any damage to the Premises and shall not be applied to the repayment of the Obligations. Except in the case of partial condemnation proceeds as set forth in the preceding sentence, Lender shall have the right to share in the proceeds to the extent of its interest at the time of taking.

7. *Events of Default.* Upon the occurrence of any of the following events of default, all or

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any part of the Obligations shall, at the option of Lender, become immediately due and payable without notice or demand:

(a) If default shall be made in the payment or performance when due of all or any portion of the Obligations, or if Borrower shall default in the due performance or observance of any other covenant or obligation of Borrower under this Mortgage.

(b) If any warranty or representation made to Lender in this Mortgage or in any other document given in connection with the Obligations shall be false or inaccurate in any material respect.

(c) If a voluntary or involuntary proceeding in receivership or insolvency shall be commenced by Borrower, or if a voluntary or involuntary proceeding in receivership or insolvency shall be commenced against Borrower and Borrower does not secure a release or stay of such proceeding within 90 days of commencement.

(d) If Borrower, without the prior written consent of Lender, shall cause or suffer any writ of attachment, garnishment, execution, or other legal process to be placed upon the Premises or any interest therein or any rents or profits therefrom, except in favor of Lender, or if any part of the Premises or any interest therein shall be transferred by operation of law.

8. *Remedies.* Lender shall have all rights and remedies provided for in this Mortgage and otherwise permitted by law. In addition, upon occurrence of a default by Borrower under the terms of this mortgage, Lender shall have the right, and is hereby authorized to foreclose this Mortgage by action pursuant to applicable law.

All rights and remedies of Lender under this Mortgage, whether or not exercisable only on default, shall be cumulative and may be exercised from time to time, and no delay by Lender in the exercise of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy, except to the extent otherwise provided by law.

9. *Expenses.* Borrower shall pay to Lender on demand any and all expenses, including attorneys' fees and legal expenses, paid or incurred by Lender in collecting or attempting to collect or enforce the Obligations or in protecting and enforcing the rights of and obligations to Lender under any provision of this Mortgage, including, without limitation, taking any action in any insolvency or bankruptcy proceedings concerning Borrower, or foreclosing this Mortgage by advertisement or by action, and all such expenses shall be part of the Obligations and shall bear interest from the date paid or incurred by Lender, at the lesser of the highest permitted legal rate or the rate specified in the Note.

10. *Notices.* All notices to Borrower and to Lender shall be deemed to be duly given if and when mailed, with postage prepaid, to the respective addresses of Borrower and Lender appearing on the first page hereof, or if and when delivered personally. Copies of all notices shall be sent to NEF Assignment Corporation, 10 South Riverside Plaza, Suite 1700, Chicago, Illinois 60606, Attention: General Counsel.

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11. *Miscellaneous.* The covenants contained herein shall be binding upon and inure to the benefit of Borrower and Borrower's heirs, executors, administrators and personal representatives and Lender and its successors and assigns. Whenever used herein, unless the context otherwise requires, the singular number shall include the plural, and the use of any gender shall be applicable to all genders. The headings to the various paragraphs hereof have been inserted for convenient references only and shall to no extent have the effect of amending or changing the expressed provisions of this Mortgage.

12. *Severability.* Any provision of this Mortgage prohibited or unenforceable by any applicable law shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.

13. *No Assignment.* The Lender may not assign its rights under this Mortgage without the prior written consent of the Borrower and the Borrower's limited partner, NEF Assignment Corporation, its successors and assigns ("Limited Partner").

14. *Fixture Filing.* The Mortgage constitutes a security agreement and shall be effective as a financing statement filed as a fixture filing as provided in the Illinois Uniform Commercial Code as to the goods described in this Mortgage by item and type and all goods which are or may become fixtures related to the Premises described in this Mortgage.

15. *Priority.* The lien created by, and the Lender's rights under, this Mortgage are subject and subordinate in all respect to the lien and rights of (i) Capital One, National Association ("Capital One"), under the Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing in favor of Capital One of even date herewith securing a loan in the stated principal amount of \$5,111,990 ("Capital One Mortgage"); (ii) IFF, an Illinois not-for-profit corporation ("IFF"), under the Mortgage, Assignment of Rents, Security Agreement and Fixture Filing in favor of IFF of even date herewith securing a loan in the stated principal amount of \$1,300,000 ("IFF Mortgage"); (iii) City of Chicago, Illinois (the "City"), under the Junior Mortgage, Security Agreement and Financing Statement in favor of the City of even date herewith securing a loan in the stated principal amount of \$1,900,000 ("City Mortgage"); and (iv) Lender under the Mortgage, Assignment of Rents and Security Agreement in favor of Lender of even date herewith securing a loan in the stated principal amount of \$540,000.

16. *Recourse Obligation.* The loan secured by this Mortgage is a recourse obligation of Borrower.

17. *Right to Cure.* Notwithstanding anything to the contrary contained in any Loan Document, Lender and Borrower agree that Limited Partner shall have the right, but not the obligation, to cure any default or Event of Default under any Loan Document, and the parties thereto shall accept such performance by the Limited Partner of any obligation of Borrower thereunder as though tendered by Borrower itself, provided such performance by the Limited Partner has occurred during the cure period, if any, provided to Borrower thereunder with respect to such default or Event of Default.

18. *Standstill.* Notwithstanding Lender's rights under applicable law or any provision in

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this Note or the other Loan Documents to the contrary, the Lender will not do any of the following prior to the expiration of the Compliance Period (as defined in the Partnership Agreement) without the prior written consent of the Limited Partner, (a) declare a default or Event of Default under the Note or the other Loan Documents, (b) accelerate the outstanding amount of the Loan, (c) commence foreclosure proceedings pursuant to the Loan Documents or exercise any other rights or remedies Lender may have under the Loan Documents, including, but not limited to, collecting rents, appointing (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder; (d) commence, or join with any other creditor in commencing, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings with respect to Borrower; or (e) pledge, assign, hypothecate, transfer, convey or sell the Loan Documents or any interest in the Loan Documents or modify, waive or amend any of the terms or provisions of the Loan Documents

19. *Three Year Tax Credit Period.* In the event the Lender were to take over ownership of the project as a result of a foreclosure, Lender by accepting the Mortgage agrees that it will comply with the three-year extended uses requirement specified in Section 42(h)(6)(E)(ii) of the Internal Revenue Code.

(Signature Page Follows)

**COOK COUNTY  
RECORDER OF DEEDS**

**COOK COUNTY  
RECORDER OF DEEDS**



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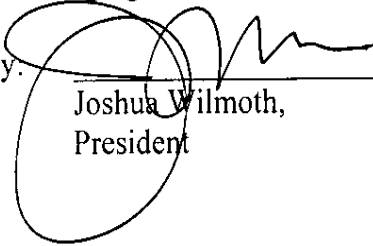
IN WITNESS WHEREOF, Borrower has executed this Mortgage as of the day and year first above written.

**Borrower:**

**Brainerd Park Apartments Limited Partnership,**  
an Illinois limited partnership

By: Brainerd Park GP, LLC  
an Illinois limited liability company,  
its general partner

By: Full Circle Communities, Inc.,  
an Illinois not-for-profit corporation,  
its managing member

By:   
Joshua Wilmoth,  
President

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**COOK COUNTY  
RECORDER OF DEEDS**

**COOK COUNTY  
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County of Cook     )  
                                  ) ss.  
State of Illinois    )

The foregoing instrument was signed and acknowledged before me on June 16, 2017, by Joshua Wilmoth, the President of Full Circle Communities, Inc., in its capacity as the managing member of Brainerd Apartments GP, LLC, the general partner of Brainerd Apartments Limited Partnership, on behalf of said partnership.

*Margaret Ann Shultz*  
\_\_\_\_\_  
Notary Public, Cook County, Illinois

My Commission Expires: \_\_\_\_\_



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## EXHIBIT A

### Legal Description

LOT 1 (EXCEPT THE NORTH 42.50 FEET THEREOF) AND ALL OF LOTS 2 TO 12, INCLUSIVE, IN BLOCK 9 IN E.L. BRAINERD'S SUBDIVISION OF TELFORD BURNHAM'S SUBDIVISION (EXCEPT BLOCKS 1 AND 8 THEREOF) OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 5, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. ✓

Commonly known as 8902-8956 South Loomis Street, Chicago, Illinois

- Permanent Index Numbers:
- 25-05-119-016-0000
  - 25-05-119-018-0000
  - 25-05-119-019-0000
  - 25-05-119-020-0000
  - 25-05-119-021-0000
  - 25-05-119-022-0000
  - 25-05-119-023-0000 ✓
  - 25-05-119-026-0000
  - 25-05-119-027-0000
  - 25-05-119-030-0000
  - 25-05-119-031-0000

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RECORDER OF DEEDS**

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