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Karen A. Yarbrough
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MODIFICATION AND EXTENSION AGREEMENT

NSBF/RID NO.: 101639/672362
SBA LOAN #: PLP 97815250-08
MORTGAGOR: SSN GROUP LLC
MORTGAGEE: NEWTEK SMALL BUSINESS FINANCE, LLC
STATE OF: ILLINOIS
COUNTY OF: COOK
STREET ADDRESS: 4500 WEST 47TH STREET
CHICAGO, IL 60632

Records Return to:

TitleVest

110 E. 42nd Street, 10th Floor
New York, NY 10017

FAIL 6/4 634

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Property encumbered: 4500 West 47th Street, Chicago, IL 60632 [as more fully described in Exhibit "A," hereto]

This instrument was prepared by: Jerry Lagomarsine, attorney-at-law, for Newtek Small Business Finance, LLC, 1981 Marcus Avenue, Suite 130, Lake Success, NY 11042

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 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.

NSBF/RID No.: 101639/672362

SBA LOAN # PL# 97315250-08

MODIFICATION AND EXTENSION AGREEMENT

THIS MODIFICATION AND EXTENSION AGREEMENT made and entered into this 29th day of September, 2017, by and between **SSN Group LLC**, an Illinois limited liability company maintaining a principal place of business at 4500 West 47th Street, Chicago, IL 60632 ("Mortgagor"), and **Newtek Small Business Finance, LLC**, a New York limited liability company maintaining an address at 1981 Marcus Avenue, Suite 130, Lake Success, NY 11042 (the "Mortgagee").

WHEREAS, the Mortgagor is the fee owner of the real property described on Schedule A attached hereto and made a part hereof known as **4500 West 47th Street, Chicago, IL 60632** (the "Premises"); and

WHEREAS, the Mortgagor is the recipient of a loan made this date in the principal sum of **FIVE MILLION and 00/100 (\$5,000,000.00) DOLLARS** with interest thereon, computed from the date hereof,

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as evidenced by that certain promissory note of even date herewith (the "Note") made by the Mortgagor to the Mortgagee; and

WHEREAS, as security for the Note, the Mortgagor hereby grants to the Lender a mortgage lien covering the Premises,

NOW THEREFORE, to secure the payment in full of the indebtedness evidenced by the Note, including without limitation, principal, interest, late charges, prepayment premiums and all other fees, charges and sums which may or shall become due under the Note and this and the performance of all the provisions hereof and of the Note and any renewals, extensions, modifications or replacements thereof, (collectively, all such obligations are hereinafter referred to as the "Debt"), Mortgagor has mortgaged, given, granted, bargained, sold, aliened, conveyed, confirmed and assigned, and by these presents does mortgage, give, grant, bargain, sell, alien, convey, confirm and assign unto Mortgagee forever all right, title and interest of Mortgagor now owned, or hereafter acquired, in and to the following property, rights and interests (such property, rights and interests being hereinafter collectively referred to as the "Mortgaged Property"):

- (a) the Premises;
- (b) all buildings and other structures and improvements now or hereafter located on the Premises (the "Improvements");
- (c) all of the estate, right, title, claim or demand of any nature whatsoever of Mortgagor, either in law or in equity, in possession or expectancy, in and to the Premises and Improvements or any part thereof;
- (d) all easements, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, and all estates, rights, titles, interests, privileges, liberties, tenements, and appurtenances, revision or revisions, remainder or remainders of any nature whatsoever, in any way belonging, relating or pertaining to the Premises (including, without limitation, any and all development rights, air rights or similar or comparable rights of any nature whatsoever now or hereafter appurtenant to the Premises or now or hereafter transferred to the Premises) and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Premises to the center line thereof;
- (e) all awards or payments, including interest thereon, and the right to receive the same, which may be made with respect to the Premises, Improvements and Equipment, whether from the exercise of the right of eminent domain (including any transfer made in lieu of the exercise of said right), for a change in grade or for any other injury to or decrease in the value of the Premises and Improvements and the reasonable attorneys' fees, costs and disbursements incurred by Mortgagee in connection with the collection of such award or payment;
- (f) the interest of the owner of the Mortgaged Property in and to all leases and other agreements affecting the use or occupancy of the Premises and Improvements or any part thereof now or hereafter entered into (including any such agreements entered into after filing by or against Mortgagor of a petition for relief under 11 U.S.C §101 et seq. (the "Bankruptcy Code", as the same may be amended from time to time) (the "Leases") and absolutely and presently the right to receive and apply the income, rents, issues, cash collateral, revenues, royalties, benefits and profits of the Premises and Improvements from time to time accruing, including, without limitation, all payments under Leases or tenancies, proceeds of insurance, additional rents, lease termination fees, tenant security deposits and escrow funds paid or accruing before or after the filing by or against Mortgagor of a petition for relief under the Bankruptcy Code (the "Rents") to

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the payment of the Debt; reserving only the right, power and authority given to Mortgagor as a licensor to collect and apply the same prior to the occurrence of an Event of Default hereunder and so long as the same are not subjected to garnishment, levy, attachment or lien;

(g) all proceeds of and any unearned premiums on any insurance policies covering the Premises and Improvements (whether or not such policies are specifically required hereunder and/or the requirement for such policies had been theretofore waived or deferred by Mortgagee), including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Premises and Improvements;

(h) the right, in the name and on behalf of Mortgagor, to appear in and defend any action or proceeding brought with respect to the Premises and Improvements and to commence any action or proceeding to protect the interest of Mortgagee in the Premises and Improvements; and

(i) all refunds, rebates or credits in connection with the reduction of Taxes (hereinafter defined) as a result of tax certiorari or any applications or proceedings for deduction;

(j) all trade names, trademarks, service marks, logos, copyrights, goodwill, books and records and other general intangible specifics to or used in connection with the operation of the Mortgaged Property; and

(k) all rights and appurtenances whatsoever, in any way belonging, relating or appertaining to any of the Premises and Improvements hereinabove mentioned or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Mortgagor.

TO HAVE AND TO HOLD the above granted and described Premises and Improvements unto and to the proper use and benefit of Mortgagee, and the successors and assigns of Mortgagee, forever.

PROVIDED, HOWEVER, these presents are upon the express condition that, if Mortgagor shall well and truly pay the Debt to Mortgagee at the time and in the manner provided in the Note and this Mortgage and shall well and truly perform all other obligations as set forth herein and each term and condition hereof and in the Note, these presents and the estate hereby granted shall cease, terminate and be void.

AND Mortgagor covenants and agrees with and represents and warrants to Mortgagee as follows:

ARTICLE I GENERAL PROVISIONS

1.1. Payment of Debt. Mortgagor shall pay all sums due under the Note and Loan Documents.

1.2. Warranty of Title; Other Representations and Warranties. Mortgagor represents and warrants to, and covenants with, Mortgagee that:

(a) Mortgagor is the owner of all right, title and interest in and to the Premises, the Improvements, and the entire Mortgaged Property, free and clear of all liens, mortgages and other encumbrances, except for the title exceptions shown in the title insurance policy insuring the lien of this Mortgage.

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(b) This Mortgage is, and shall remain and constitute at all times hereafter, a valid mortgage lien against the Premises, given by the Mortgagor herein to Newtek Small Business Finance, LLC.

(c) (i) Mortgagor is now, and after giving effect to this Mortgage, will be in a solvent condition, (ii) there has been no material adverse change in the financial condition of Mortgagor or any obligor of the Debt since the date of Mortgagor's application for the loan secured hereby, (iii) Mortgagor is not in default under any note, loan or security agreement to which it is a party, (iv) the execution and delivery of this Mortgage by Mortgagor does not constitute a "fraudulent conveyance" within the meaning of the Bankruptcy Code as now constituted or under any other applicable statute, (v) no bankruptcy or insolvency proceedings are pending or contemplated by or against Mortgagor, and (vi) there are no existing, threatened or pending actions or proceedings affecting any portion of the Mortgaged Property except for possible negligence actions or proceedings which are fully covered by insurance.

(d) Mortgagor (and the undersigned representative of Mortgagor, if any) (i) has full power, authority and legal right to execute this Mortgage, and to mortgage, give, grant, bargain, sell, alien, convey, confirm and assign the Mortgaged Property pursuant to the terms hereof and to keep and observe all of the terms of this Mortgage on Mortgagor's part to be performed.

(e) In the event that Mortgagor is not a natural person, then the undersigned representative of Mortgagor, represents for and on behalf of Mortgagor, that (i) Mortgagor is duly organized, validly existing and in good standing under the laws of its state of organization, (ii) Mortgagor is duly qualified to transact business and in good standing in the State where the Mortgaged Property is located, and (iv) Mortgagor has all necessary approvals, government and otherwise, and full power and authority to own the Mortgaged Property and carry on its business as now conducted or proposed to be conducted.

1.3. Insurance.

(a) Mortgagor will keep the Improvements and the Equipment insured with (i) "all risks" extended coverage against loss or damage by fire, vandalism, malicious mischief and such other hazards as Mortgagee shall from time to time require, in amounts approved by Mortgagee, which amounts shall in no event be less than 100% of the full replacement cost of the Improvements and the Equipment (without deduction for physical depreciation and exclusive of excavations, footings and foundations, landscaping and paving), with an agreed amount endorsement and replacement cost endorsement and shall be sufficient to meet all applicable co insurance requirements, (ii) boiler, machinery and sprinkler leakage insurance covering physical damage to the Improvements and Equipment and any other major components of any central HVAC system and such other equipment as Mortgagee may require (without exclusion for explosion), (iii) business income insurance sufficient to cover one (1) year's gross receipts from the Mortgaged Property from the date of such calamity and loss, (iv) comprehensive public liability insurance, including broad form property damage, blanket contractual and personal injury coverage; (iv) ordinance or law coverage to compensate for the cost of development and increased cost of construction if any portion of the Improvements are non-conforming under applicable law, including broad form property damage, blanket contractual and personal injury coverage; and (v) such other forms of insurance coverage with respect to the Premises and Improvements as Mortgagee shall from time to time require in amounts approved by Mortgagee. During any period of construction, renovation or restoration of the Improvements, Mortgagor shall maintain "all builder's risk" insurance, in a form acceptable to Mortgagee. If the Premises are improved, and any portion thereof is located in the then applicable 100 year flood plain or in a Federally designated "special flood hazard area", in addition to the other policies of insurance required under this paragraph and/or any other policies of insurance obtained by Mortgagor, whether or not required hereunder, including, without limitation, any insurance Mortgagor elects to obtain

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notwithstanding a prior waiver or deferral of such requirement by Mortgagee (the "Policies"), a flood insurance policy acceptable in all respects to Mortgagee shall be delivered by Mortgagor to Mortgagee. If no portion of the Premises is located in the then applicable 100 year flood plain or in a Federally designated "special flood hazard area" such fact shall be substantiated by a certificate in form satisfactory to Mortgagee from a licensed surveyor, appraiser or professional engineer or other qualified person satisfactory to Mortgagee in accordance with applicable regulations.

(b) Mortgagor shall at all times comply with and shall cause the Improvements and Equipment and the use, occupancy, operation, maintenance, alteration, repair and restoration thereof to comply with the terms, conditions, stipulations and requirements of the Policies. All Policies shall be issued by insurers having a minimum policy holders rating of "A" and a financial class of VII or better per the latest rating publication of Property and Casualty Insurers by A.M. Best Company, Inc. and who are lawfully doing business in the State in which the Premises and Improvements are located and are otherwise acceptable in all respects to Mortgagee. All Policies shall, with respect to the Premises and the Improvements, contain the standard Mortgagee non contribution clause endorsement or its equivalent and, with respect to the Equipment, contain a lender's loss payable clause endorsement or an equivalent endorsement. All Policies shall name Mortgagee as the person to which all payments made by the insurer thereunder shall be paid, naming Mortgagee as an additional insured on required liability policies and otherwise in form and substance satisfactory in all respects to Mortgagee. Mortgagor hereby assigns the proceeds of the Policies to Mortgagee and directs and hereby authorizes each insurance company to make payment for loss directly to Mortgagee, as its interest may appear. All Policies shall provide that the coverages evidenced thereby shall not be terminated or materially modified without thirty (30) days prior written notice Mortgagee. Blanket insurance policies shall not be acceptable for the purposes of this paragraph unless otherwise approved to the contrary by Mortgagee, and if moved, shall contain a statement of values. Mortgagor shall pay the premiums for the Policies as the same become due and payable. At the request of Mortgagee, Mortgagor will deliver the Policies to Mortgagee. Not later than ten (10) days prior to the expiration date of each of the Policies, Mortgagor will deliver to Mortgagee a renewal policy or certificates of renewal marked "premium paid" or accompanied by other evidence of payment of premium satisfactory to Mortgagee. If at any time Mortgagee is not in receipt of written evidence that all insurance required hereunder is in full force and effect, Mortgagee shall have the right, without notice to Mortgagor, to take such action as Mortgagee deems necessary to protect its interest in the Premises and Improvements, including, without limitation, the obtaining of such insurance coverage as Mortgagee in its sole discretion deems appropriate, and all expenses incurred by Mortgagee in connection with such action or in obtaining such insurance and keeping it in effect shall be paid by Mortgagor to Mortgagee upon demand and until paid shall be secured by this Mortgage in accordance with Article 2.7 hereof.

(c) (i) If the Premises and Improvements shall be damaged or destroyed, in whole or in part, by fire, or other casualty Mortgagor shall give prompt notice thereof to Mortgagee. Mortgagee shall make any or all of the insurance proceeds received by Mortgagee pursuant to the provisions of this Mortgage as a result of such damage or destruction after deduction of its reasonable costs and expenses, if any, in collecting the same (the "Net Proceeds") available for the repair and restoration of the Improvements, provided that (aa) no Event of Default shall exist under the Note or this Mortgage at the time of the casualty or any requested disbursement hereunder, (bb) Mortgagor shall proceed with the repair and restoration of the Improvements as nearly as possible to the condition the Improvements were in immediately prior to such fire or other casualty promptly after the insurance claims are settled, (cc) no lease demising more than twenty five percent (25%) of the net rentable area of the Improvements (a "Key Lease") has been terminated by reason of such casualty; (dd) the loan to value ratio of the restored Improvements as estimated in Mortgagee's sole discretion does not exceed the loan to value ratio as of the date hereof; (ee) the Net Proceeds, together with additional funds provided by Mortgagor if necessary, are sufficient to reconstruct or restore the Improvements according to plans and specifications approved by

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Mortgagee or its Inspecting Engineer (as hereinafter defined), which approval shall not be unreasonably withheld or delayed if such plans and specifications substantially conform to the plans for the existing Improvements and which plans and specifications shall comply with local building codes and all other applicable laws, ordinances, rules and regulations, (ff) not more than fifty (50%) percent of the Improvements have been damaged or destroyed as determined by the Mortgagee in its sole discretion and (gg) Mortgagee has determined that all approved restoration work can be completed not later than one hundred eighty (180) days prior to the maturity of the Note or by such earlier date as may be required under the Leases or pursuant to applicable law.

(ii) Upon satisfaction of each of the provisions of subsection 1.3(c), the Net Proceeds may be disbursed if determined by Mortgagee to Mortgagor to pay for the costs of repair and restoration of the Improvements in the manner hereinafter set forth. The Net Proceeds shall be held by Mortgagee in escrow until expended in connection with the repair and restoration of the Improvements, it being agreed that any Net Proceeds so held by Mortgagee may be commingled with the general funds of Mortgagee, shall not bear interest, and shall constitute additional security for the payment of the Debt. The Net Proceeds shall be paid by Mortgagee to, or as directed by, Mortgagor from time to time during the course of the repair and restoration, upon receipt of evidence satisfactory to Mortgagee that (aa) all materials installed and work and labor performed (except to the extent that they are to be paid for out of the requested payment) in connection with the repair and restoration have been paid for in full, (bb) there exists no notice of intention, mechanics or other liens and encumbrances on the Premises and Improvements arising out of the repair and restoration, and (cc) the balance of the Net Proceeds plus the balance of any deficiency deposits made by Mortgagor pursuant to the provisions of this paragraph hereinafter set forth shall be sufficient to pay in full the balance of the cost of the repair and restoration. The repair and restoration shall be done and completed by Mortgagor in an expeditious and diligent fashion and in compliance with all applicable laws, rules and regulations, and all plans and specifications required in connection with the repair and restoration shall be subject to review and approval in all respects by an independent inspecting engineer selected by Mortgagee (the "Inspecting Engineer"). The Mortgagor shall, prior to any repair and restoration, furnish to Mortgagee for its approval: (1) complete plans and specifications for the repair and restoration, with satisfactory evidence of the approval thereof (i) by all governmental authorities whose approval is required and (ii) by an architect satisfactory to the Mortgagee (hereinafter the "Architect") and which shall be accompanied by the Architect's signed estimate, bearing the Architect's seal, of the entire cost of completing the repair and restoration; (2) copies of all permits and approvals required by law in connection with the commencement and conduct of the repair and restoration; and (3) a surety bond or guaranty shall be in form satisfactory to the Mortgagee and shall be signed by surety or sureties, or guarantor or guarantors, as the case may be, who are acceptable to the Mortgagee, and in an amount not less than the Architect's estimate of the entire cost of completing the repair and restoration, less the amount of insurance proceeds and Mortgagee deposits, if any, then held by the Mortgagee for application toward the cost of the repair and restoration. All costs and expenses incurred by Mortgagee in connection with making the Net Proceeds available for the repair and restoration, including, without limitation, an administrative fee of \$100 for each advance, counsel fees, travel fees and the Inspecting Engineer's fees incurred by Mortgagee, shall be paid by Mortgagor. In no event shall Mortgagee be obligated to make disbursements of the Net Proceeds in excess of an amount equal to the costs actually incurred for work in place as part of the repair and restoration, as certified by the Inspecting Engineer, minus 10% of such costs (the "Retainage"). Mortgagee shall not be obligated to make disbursements of the Net Proceeds more than once every thirty (30) days. The Retainage shall not be released until the Inspecting Engineer certifies that the repair and restoration have been completed in accordance with the provisions of Article 1.3, and Mortgagee receives evidence satisfactory to Mortgagee that the costs of the repair and restoration have been paid in full or will be paid in full out of the Retainage. If at any time the Net Proceeds, or the undisbursed balance thereof, shall not, in the opinion of Mortgagee, be sufficient to pay in full the balance of the costs which will be incurred in connection with the completion of the repair and restoration, Mortgagor shall deposit the deficiency with Mortgagee

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before any further disbursement of the Net Proceeds shall be made, which deficiency deposit may be commingled with the general funds of Mortgagee, shall not bear interest and shall be disbursed for costs actually incurred in connection with the repair and restoration on the same conditions applicable to the Net Proceeds. Any such deficiency deposit until disbursed pursuant to this paragraph shall constitute additional security for the payment of the Debt.

(d) All insurance proceeds received by Mortgagee and not disbursed for the repair and restoration pursuant to the provisions of this Article 1.3 shall be retained and applied by Mortgagee toward the payment of the Debt whether or not then due and payable in such priority and proportions as Mortgagee in its discretion shall deem proper or, at the discretion of Mortgagee, the same may be paid, either in whole or in part, to Mortgagor for such purposes as Mortgagee shall designate. If Mortgagee shall receive and retain such insurance proceeds, the lien of this Mortgage shall be reduced only by the amount thereof received and retained by Mortgagee and actually applied by Mortgagee in reduction of the Debt.

(e) The provisions of subsection 4 of Section 254 of the Real Property Law of New York covering the insurance of buildings against loss by fire shall not apply to this Mortgage.

1.4. Payment of Taxes, etc. (a) Mortgagor shall pay all real and personal property taxes, assessments, water rates, sewer rents and other charges, including vault charges and license fees for the use of vaults, chutes and similar areas adjoining the Premises, now or hereafter levied, imposed or assessed against the Premises and Improvements (collectively, the "Taxes") prior to the date upon which any fine, penalty, interest or cost may be added thereto or imposed by law for the nonpayment thereof, and, in the absence of such timely payment, Mortgagee in its sole discretion, may, but shall not be obligated to, pay same (all such payments to be secured hereby in accordance with Article 2.7 hereof), and Mortgagor shall reimburse Mortgagee upon demand for such expenditures. Mortgagor shall deliver to Mortgagee, within thirty (30) days of payment, receipts, bills, canceled checks and other evidence satisfactory to Mortgagee evidencing the payment of the Taxes prior to the date upon which any fine, penalty, interest or cost may be added thereto or imposed by law for the nonpayment thereof.

(b) After prior notice to Mortgagee, in the case of any material item, Mortgagor, at its own expense, may contest by appropriate legal proceeding, promptly initiated and conducted in good faith and with due diligence, the amount or validity or application whole or in part of any of the Taxes, provided that (i) no Event of Default then exists under the Note or this Mortgage, (ii) Mortgagor is permitted to do so under the provisions of any mortgage or deed of trust superior in lien to the Mortgage and under the provisions of the any ground lease encumbered hereby, if any, (iii) such proceeding shall suspend the collection of the Taxes from Mortgagor and from the Mortgaged Property, (iv) such proceeding shall be permitted under and be conducted in accordance with the provisions of any other instrument to which Mortgagor or the Mortgaged Property is subject and shall not constitute a default thereunder, (v) neither the Mortgaged Property nor any part thereof or interest therein will in the opinion of Mortgagee be in danger of being sold, forfeited, terminated, canceled or lost, (vi) Mortgagor shall have set aside adequate reserves for the payment of the Taxes, together with all interest and penalties thereon, and (vii) Mortgagor shall have furnished such security as may be required in the proceeding, or as may be requested by Mortgagee to insure the timely payment of any such Taxes, together with all interest and penalties thereon.

1.5. Escrow Fund. (a) Unless otherwise waived by the Mortgagee, Mortgagor will pay to Mortgagee, together with each monthly installment due under the Note, one twelfth of an amount (the "Escrow Fund") which would be sufficient to pay, on the first (1st) day of the month preceding the month in which they become due, the Taxes payable, or estimated by Mortgagee to be payable, during the ensuing twelve (12) months. Mortgagee will apply the Escrow Fund to the payment of Taxes which are

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required to be paid by Mortgagor pursuant to the provisions of this Mortgage. If the amount of the Escrow Fund shall exceed the amount of the Taxes payable by Mortgagor pursuant to the provisions of this Mortgage, Mortgagee shall, in its discretion, (i) return any excess to Mortgagor, or (ii) credit such excess against future payments to be made to the Escrow Fund. In allocating such excess, Mortgagee may deal with the person shown on the records of Mortgagee to be the owner of the Premises and Improvements. If the Escrow Fund is not sufficient to pay the Taxes, as the same become payable, Mortgagor shall pay to Mortgagee, upon request, an amount which Mortgagee shall estimate as sufficient to make up the deficiency. Until expended or applied as above provided, any amounts in the Escrow Fund may not be commingled with the general funds of Mortgagee and shall bear interest. The collection of such deposits by Mortgagee shall not relieve Mortgagor of any of the obligations of Mortgagor under any provision of this Mortgage. Provided there are sufficient amounts in the Escrow Fund, Mortgagee shall pay the Taxes as they become due by their respective due dates.

(b) To the extent permitted by applicable law, if a Default occurs under any of the provisions of this Mortgage, Mortgagee shall have the right to apply the balance of any funds deposited with it, or its designee, accumulated to pay Taxes, either as a credit against the Debt or to the payment of any other charges payable hereunder.

1.6. Condemnation. Mortgagor shall promptly provide notice to Mortgagee of the actual or threatened commencement of any condemnation or eminent domain proceedings and shall deliver to Mortgagee copies of any and all pleadings and papers served in connection with such proceedings. Mortgagee may at its option participate in such proceedings. Notwithstanding any taking by any public or quasi public authority through eminent domain or otherwise, Mortgagor shall continue to pay the Debt at the time and in the manner provided for its payment in the Note and this Mortgage and the Debt shall not be reduced until any award or payment therefor shall have been actually received and applied by Mortgagee to the discharge of the Debt. Mortgagee may apply the entire amount of any such award or payment to the discharge of the Debt whether or not then due and payable in such order, priority and proportions as Mortgagee in its discretion shall deem proper. If Mortgagee receives and retains such award or payment and applies it to the Debt, the lien of this Mortgage shall be affected only by a reduction of the amount of said lien by the amount of such award or payment so received and retained by Mortgagee. Mortgagor shall at its expense file and prosecute its claim or claims for any such award or payment in good faith and with due diligence and cause the same to be collected and paid over to Mortgagee. Mortgagor hereby irrevocably authorizes and empowers Mortgagee, in the name of Mortgagor or otherwise, to collect and receipt for any such award or payment and to file and prosecute such claim or claims. Although it is hereby expressly agreed that the same shall not be necessary in any event, Mortgagor shall, upon demand of Mortgagee, at the sole cost and expense of the Mortgagor, make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning any such award or payment to Mortgagee, free and clear of any encumbrances of any kind or nature whatsoever. If the Mortgaged Property is sold, through foreclosure or otherwise, prior to the receipt by Mortgagee of such award or payment, Mortgagee shall have the right, whether or not a deficiency judgment on the Note shall have been sought, recovered or denied, to receive such award or payment, or a portion thereof sufficient to pay the Debt, whichever is less, and Mortgagor shall pay over to Mortgagee said award or payment as, if and when Mortgagor receives same, to the extent of any deficiency found to be due upon such sale, with interest thereon, whether or not a deficiency judgment on this Mortgage shall have been sought or recovered or denied, and of the attorneys' fees, costs and disbursements incurred by Mortgagee in connection with the collection of such award or payment. Mortgagee shall not be limited to the interest paid on the award by the condemning authority and shall be entitled to reserve interest on the amount at the Interest Rate (as defined in the Note).

1.7. Leases and Rents. (a) Mortgagor absolutely and irrevocably assigns to Mortgagee the Rents, and Mortgagor grants to Mortgagee the right to enter upon and to take possession of

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the Premises and Improvements for the purpose of collecting the same and to let the Premises and Improvements, or any part thereof, and to apply the Rents after payment of all necessary charges and expenses on account to the Debt, reserving only to Mortgagor the conditional right, as a licensee, to collect, use and enjoy the Rents until an Event of Default shall occur hereunder. In exercising such conditional right, Mortgagor shall be entitled to collect and receive such Rent and agrees to use such Rents in payment of principal and interest becoming due under the Note and in payment of Taxes and Premiums becoming due hereunder, but such right of Mortgagor may be revoked by Mortgagee upon the occurrence of Event of Default under the terms of the Note or this Mortgage remaining uncured for 30 days and thereafter Mortgagee may let the Premises and Improvements or any part thereof and may retain and apply the Rents toward payment of the Debt in such order, priority and proportions as Mortgagee, in its discretion, shall deem proper, or toward the operation, maintenance and repair of the Premises and Improvements, and irrespective of whether Mortgagee shall have commenced a foreclosure of this Mortgage or shall have applied or arranged for the appointment of a receiver. Mortgagee shall not be obligated to give to Mortgagor prior notice of such revocation of the right to let and collect the Rents.

(b) In addition to the rights which Mortgagee may have herein, if an Event of any Default exists under this Mortgage, Mortgagee, at its option, may require Mortgagor to pay monthly in advance to Mortgagee, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Premises and Improvements as may be in actual possession of Mortgagor. Upon default in any such payment, Mortgagor will vacate and surrender possession of the Premises and Improvements to Mortgagee or to such receiver, and, in default thereof, Mortgagor may be evicted by summary proceedings or otherwise. Nothing contained in this paragraph shall be construed as imposing on Mortgagee any of the obligations of the lessor under the Leases, any duty to produce rents from the Premises and Improvements and shall not cause Mortgagee to be a "mortgage-in-possession" for any purpose. Mortgagee further agrees that it shall, upon request, execute, acknowledge and deliver to Mortgagee such further and additional assignments and other instruments as shall be reasonably required for the purpose of assigning the Rents.

(c) During the term of the Note, the Mortgagor shall provide annual certified rent rolls and lease information relating to the Mortgaged Property to the Mortgagee within ten (10) days of Mortgagee's request.

1.8. Books, Records, Reports and Financial Statements.

(a) If not a natural person, Mortgagor will keep and maintain or will cause to be kept and maintained in methods acceptable to Mortgagee in its sole discretion, consistently applied, proper and accurate books, records and accounts reflecting all of the financial affairs of Mortgagor and all items of income and expense in connection with the operation of the Mortgaged Property. Mortgagee shall have the right from time to time at all times during normal business hours to examine such books, records and accounts at the office of Mortgagor or such other person maintaining such books, records and accounts and to make copies or extracts thereof as Mortgagee shall desire.

(b) During the term of the Note, the Mortgagor and any obligor under the Loan Documents agree to provide to the Mortgagee:

- i) Within ninety (90) days of filing and otherwise upon Lender's request, copies of the current annual federal tax returns of Borrower and any guarantor of the Note, with all schedules attached.

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- ii) Within ninety (90) days after fiscal year end and as otherwise upon Lender's request, the Corporate Guarantor shall provide the Lender with accountant-prepared financial statements.
 - iii) No later than April 30th of each year, and otherwise upon Lender's request, an updated personal financial statement from any individual guarantor in a form acceptable to Lender.
 - iv) Promptly after a written request from Lender, such other financial data or information as the Lender may reasonably request from time to time.
- (c) Mortgagor and any guarantor shall promptly notify the Mortgagee of any proceedings, sanctions, or warnings instituted against them, or issued to them, by any regulatory agency or governmental authority.
- (d) Mortgagor and any guarantor shall promptly notify the Mortgagee of any lawsuits initiated against them involving claims in excess of \$50,000.00.

1.9. Transfer or Encumbrance of the Mortgaged Property.

(a) No part of the Mortgaged Property nor any interest of any nature whatsoever therein nor any interest of any nature whatsoever in Mortgagor (whether partnership, stock, equity, beneficial, profit, loss or otherwise) shall in any manner be further encumbered, sold, transferred, assigned or conveyed, or permitted to be further encumbered, sold, transferred, assigned or conveyed (a "Transfer"), nor shall the Mortgaged Property or any portion thereof be converted to or operated as a condominium or cooperative form of ownership without the prior written consent of Mortgagee in each instance, and which consent in any and all circumstances may be withheld in the sole and absolute discretion of Mortgagee. The provisions of the foregoing sentence of this paragraph shall apply to each and every such further encumbrance, sale, transfer, assignment or conveyance, regardless of whether or not Mortgagee has consented to, or waived by its action or inaction its rights hereunder with respect to, any such previous further encumbrance, sale, transfer, assignment or conveyance, and irrespective of whether such further encumbrance, sale, transfer, assignment or conveyance is voluntary, by reason of operation of law or is otherwise made. For illustration purposes only, a Transfer shall be deemed to include: an installment sales contract or agreement whereby Mortgagor agrees to sell the Mortgaged Property or any part thereof in installments and/or an agreement by Mortgagor for leasing of all or a substantial part of the Mortgaged Property for other than actual occupancy by a space tenant.

(b) The Mortgagor represents, warrants and covenants that it will not lease, transfer, assign, or otherwise dispose of any portion of its property and assets, real and personal, tangible and intangible, now owned or hereafter acquired, which are collateral for the loan evidenced by the Note, whether in one or more transactions, except in the ordinary course of business, without the prior written consent of Mortgagee in each instance.

1.10. Maintenance of the Premises and Improvements; Compliance with Laws, Regulations, Covenants and Easements.

(a) Mortgagor shall cause the Mortgaged Property to be maintained in good condition and repair and, to the extent of any renovations made by Mortgagor, the same shall be made in compliance with the requirements of all governmental authorities having jurisdiction over the Premises. Mortgagor will not commit or suffer to be committed any waste of the Mortgaged Property. The Improvements and the Equipment shall not be removed, demolished or materially altered (prior written except for normal replacement of the Equipment), without the consent of Mortgagee, including, but not

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limited to, any alteration changing the configuration or number of parking spaces comprising a part of the Mortgaged Property. Mortgagor shall promptly repair, replace or rebuild any part of the Mortgaged Property which may be damaged or destroyed by fire or other property hazard or casualty (including any fire or other property hazard or casualty for which insurance was not obtained or obtainable) or which may be affected by any taking by any public or quasi public authority through eminent domain or otherwise, and shall complete and pay for, within a reasonable time, any structure at any time in the process of construction or repair on the Premises.

(b) Mortgagor represents and warrants to Mortgagee that the Mortgaged Property is currently in compliance with, and Mortgagor shall in the future promptly comply with, all existing and future governmental laws, orders, ordinances, rules and regulations affecting the Mortgaged Property, or any portion thereof or the use thereof, including specifically, but not limited to, provisions of the Americans with Disabilities Act. Mortgagor shall comply with the requirements of all, and shall not modify, amend or terminate any, easements and restrictive covenants which from time to time affect the whole or any portion of the Mortgaged Property or the use thereof. Mortgagor shall also comply with the requirements of, and to the extent reasonably within Mortgagor's control, maintain, preserve, enforce and renew, all rights of way, easements, grants, privileges, licenses, franchises and restrictive covenants which from time to time benefit or pertain to the whole or any portion of the Mortgaged Property, and Mortgagor shall not modify, amend or terminate, or surrender any of its rights under, any of such rights of way, easements, grants, privileges, licenses, franchises or restrictive covenants. Mortgagor will not, without obtaining the prior written consent of Mortgagee, initiate, join in or consent to any new private restrictive covenant, zoning ordinance, or other public or private restrictions, limiting or affecting the uses which may be made of the Mortgaged Property or any part thereof.

1.11. Environmental Provisions.

(a) For the purposes of this paragraph the following terms shall have the following meanings: (i) the term "Hazardous Material" shall mean any material or substance that, whether by its nature or use, is now or hereafter defined as a hazardous waste, hazardous substance, pollutant or contaminant under any Environmental Requirement, or which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous and which is now or hereafter regulated under any Environmental Requirement, or which is or contains petroleum, gasoline, diesel fuel or another petroleum hydrocarbon product, (ii) the term "Environmental Requirements" shall collectively mean all present and future laws, statutes, ordinances, rules, regulations, orders, codes, licenses, permits, decrees, judgments, directives or the equivalent of or by any Governmental Authority, and relating to or addressing the protection of the environment or human health, and (iii) the term "Governmental Authority" shall mean the Federal government, or any state or other political subdivision thereof, or any agency, court or body of the Federal government, any state or other political subdivision thereof, exercising executive, legislative, judicial, regulatory or administrative functions.

(b) Mortgagor hereby represents and warrants to Mortgagee that to the best of Mortgagor's knowledge after diligent inquiry (i) no Hazardous Material is currently located at, on, in, under or about the Mortgaged Property in a manner which violates any Environmental Requirement, or which requires cleanup or corrective action of any kind under any Environmental Requirement, (ii) no releasing, emitting, discharging, leaching, dumping or disposing of any Hazardous Material from the Mortgaged Property onto or into any other property or from any other property onto or into the Mortgaged Property has occurred or is occurring in violation of any Environmental Requirement, (iii) no written or oral notice of violation, lien, complaint, suit, order or other notice with respect to the Mortgaged Property is presently outstanding under any Environmental Requirement, and (iv) the Mortgaged Property and the operation thereof are in full compliance with all Environmental Requirements.

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(c) Mortgagor shall comply, and shall cause all tenants or other occupants of the Mortgaged Property to comply, in all respects with all Environmental Requirements, and will not generate, store, handle, process, dispose of or otherwise use, and will not permit any tenant or other occupant of the Mortgaged Property to generate, store, handle, process, dispose of or otherwise use, Hazardous Materials at, in, on, under or about the Mortgaged Property in a manner that could lead or potentially lead to the imposition on Mortgagor, Mortgagee or the Mortgaged Property of any liability or lien of any nature whatsoever under any Environmental Requirement. Mortgagor shall notify Mortgagee promptly in the event of any spill or other release of any Hazardous Material at, in, on, under or about the Mortgaged Property which is required to be reported to a Governmental Authority under any Environmental Requirement, will promptly forward to Mortgagee copies of any notices received by Mortgagor relating to alleged violations of any Environmental Requirement and will promptly pay when due any fine or assessment against Mortgagee, Mortgagor or the Mortgaged Property relating to any Environmental Requirement. If at any time it is determined that the operation or use of the Mortgaged Property violates any applicable Environmental Requirement or that there are Hazardous Materials located at, in, on, under or about the Mortgaged Property which, under any Environmental Requirement, require special handling in collection, storage, treatment or disposal, or any other form of cleanup or corrective action, Mortgagor shall, within thirty (30) days after receipt of notice thereof from any Governmental Authority or from Mortgagee, take, at Mortgagor's sole cost and expense, such actions as may be necessary to fully comply in all respects with all Environmental Requirements, provided, however, that if such compliance cannot reasonably be completed within such thirty (30) day period, Mortgagor shall commence such necessary action within such thirty (30) day period and shall thereafter diligently and expeditiously proceed to fully comply in all respects and in a timely fashion with all Environmental Requirements.

(d) If Mortgagor fails to timely take, or to diligently and expeditiously proceed to complete in a timely fashion, any such action described in Article 1.11 (c) above, Mortgagee may, in its sole and absolute discretion, make advances or payments toward the performance or satisfaction of the same, but shall in no event be under any obligation to do so. All sums so advanced or paid by Mortgagee (including, without limitation, counsel and consultant fees and expenses, investigation and laboratory fees and expenses, and fines or other penalty payments) and all sums advanced or paid in connection with any judicial or administrative investigation or proceeding relating thereto, will immediately, upon demand, become due and payable from Mortgagor and shall bear interest at the Default Rate (as hereinafter defined) from the date any such sums are so advanced or paid by Mortgagee until the date any such sums are repaid by Mortgagor to Mortgagee. Mortgagor will execute and deliver, promptly upon request, such instruments as Mortgagee may deem useful or necessary to permit Mortgagee to take any such action, and such additional notes and mortgages, as Mortgagee may require to secure all sums so advanced or paid by Mortgagee. If a lien is filed against the Mortgaged Property by any Governmental Authority resulting from the need to expend or the actual expending of monies arising from an action or omission, whether intentional or unintentional, of Mortgagor or for which Mortgagor is responsible, resulting in the releasing, spilling, leaking, leaching, pumping, emitting, pouring, emptying or dumping of any Hazardous Material into the waters or onto land located within or without the State where the Mortgaged Property is located, then Mortgagor will, within thirty (30) days from the date that Mortgagor is first given notice that such lien has been placed against the Mortgaged Property (or within such shorter period of time as may be specified by Mortgagee if such Governmental Authority has commenced steps to cause the Mortgaged Property to be sold pursuant to such lien), either (a) pay the claim and remove the lien, or (b) furnish a cash deposit, bond, or such other security with respect thereto as is satisfactory in all respects to Mortgagee and is sufficient to effect a complete discharge of such lien on the Mortgaged Property.

(e) Mortgagee may, at its option, at intervals of not less than one year, or more frequently if Mortgagee reasonably believes that a Hazardous Material or other environmental condition

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violates or threatens to violate any Environmental Requirement, cause an environmental audit of the Mortgaged Property or portions thereof to be conducted to confirm Mortgagor's compliance with the provisions of this paragraph, and Mortgagor shall cooperate in all reasonable ways with Mortgagee in connection with any such audit including without limitation, pay all costs and expenses incurred in connection with such audit.

(f) If this Mortgage is foreclosed, or if the Mortgaged Property is sold pursuant to the provisions of this Mortgage, or if Mortgagor tenders a deed or assignment in lieu of foreclosure or sale, Mortgagor shall deliver the Mortgaged Property to the purchaser at foreclosure or sale or to Mortgagee, its nominee, or wholly owned subsidiary, as the case may be, in a condition that complies in all respects with all Environmental Requirements. Mortgagor will defend, indemnify, and hold harmless Mortgagee, its employees, agents, officers, and directors, from and against any and all claims, demands, penalties, causes of action, fines, liabilities, settlements, damages, costs, or expenses of whatever kind or nature, known or unknown, foreseen or unforeseen, contingent or otherwise (including, without limitation, counsel and consultant fees and expenses, investigation and laboratory fees and expenses, court costs, and litigation expenses) arising out of, or in any way related to, (i) any breach by Mortgagor of any of the provisions of this Article 1.11, (ii) the presence, disposal, spillage, discharge, emission, leakage, release, or threatened release of any Hazardous Material which is at, in, on, under, about, from or affecting the Mortgaged Property, including, without limitation, any damage or injury resulting from any such Hazardous Material to or affecting the Mortgaged Property or the soil, water, air, vegetation, buildings, personal property, persons or animals located on the Mortgaged Property or on any other property or otherwise, (iii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to any such Hazardous Material, (iv) any lawsuit brought or threatened, settlement reached, or order or directive of or by any Governmental Authority relating to such Hazardous Material, or (v) any violation of any Environmental Requirement or any policy or requirement of Mortgagee hereunder. The aforesaid indemnification shall, notwithstanding any exculpatory or other provision of any nature whatsoever to the contrary set forth in the Note, this Mortgage or any other document or instrument now or hereafter executed and delivered in connection with the loan evidenced by the Note and secured by this Mortgage, constitute the personal recourse undertakings, obligations and liabilities of Mortgagor.

(g) The aforesaid indemnification shall not be applicable to any claim, demand, penalty, cause of action, fine, liability, settlement, damage, cost or other expense of any type whatsoever occasioned, arising and caused solely and directly as the result of the gross negligence or willful misconduct of Mortgagee, its nominee or wholly owned subsidiary or their respective employees or agents.

(h) Provided no claims concerning the indemnification set forth herein are then pending, all obligations and liabilities of Mortgagor under this Article 1.11 shall cease and terminate on the fifth (5th) anniversary of the date of payment to Mortgagee in cash of the entire Debt, and provided that Mortgagor shall continue to be obligated to indemnify Mortgagee and to hold Mortgagee harmless from and against any penalty, fine, liability, damage, cost or other expense incurred by Mortgagee and to which the aforesaid indemnification pertains to the extent the same arises out of any claim, penalty, fine liability or damage which is asserted or cause of action suit which is commenced prior to, or which otherwise relates back to the period before the fifth (5th) anniversary of the date of payment to Mortgagee in cash of the entire Debt. Except as hereinabove specifically provided to the contrary in this Article 1.11, the obligations and liabilities of Mortgagor under this Article 1.11 shall survive and continue in full force and effect and shall not be terminated, discharged or released, in whole or in part, irrespective of whether the Debt has been paid in full and irrespective of any foreclosure of this Mortgage, sale of the Mortgaged Property pursuant to the provisions of this Mortgage or acceptance by Mortgagee, its nominee

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or wholly owned subsidiary of a deed or assignment in lieu of foreclosure or sale and irrespective of any other fact or circumstance of any nature whatsoever.

1.12. Performance of Other Agreements. Mortgagor shall observe and perform each and every term to be observed or performed by Mortgagor pursuant to the terms of any agreement or recorded instrument affecting or pertaining to the Mortgaged Property.

1.13. Other Security for the Debt. Mortgagor shall observe and perform all of the terms, covenants and provisions contained in the Note and in all other mortgages and other instruments or documents evidencing, securing or guaranteeing payment of the Debt, in whole or in part, or otherwise executed and delivered in connection with the Note, this Mortgage or the loan evidenced and secured thereby or hereby, including, but not limited to, that certain Assignment of Leases and Rents dated of even date here with from Mortgagor to Mortgagee (the "Loan Documents").

1.14. Right of Entry. Mortgagee and its agents shall have the right to enter and inspect the Mortgaged Property at all reasonable times.

1.15. Lease Subordination. In the event the Mortgagor shall lease to a tenant all or any portion of the Premises, it shall include in such lease or leases a provision subordinating such lease or leases to the lien of this Mortgage or any renewals, amendments, changes, modifications, consolidations, extensions, or replacements thereof, or any new or additional mortgage.

1.16. Partial Payments. In the event the Mortgagee shall receive from the Mortgagor any sums in respect of the payment of an installment of interest, principal or Taxes and Premiums due hereunder or under the Note less than full amount then due and payable, the Mortgagee may, but shall not be obligated to, accept such sum regardless of any endorsement or condition expressed by the Mortgagor with respect to such partial payment, and if the Mortgagee elects to accept such payment, it may hold the same or any part thereof without liability or interest in its general account, and it may, from time to time, apply the same or any part thereof to the indebtedness under the Note, to the payment of Taxes, Premiums or to any other expense, including reasonable attorney's fees and disbursements incurred by the Mortgagee in attempting to collect the amount due and owing hereunder the Note and in bringing any foreclosure proceedings with respect to this Mortgage.

1.17. INTENTIONALLY LEFT BLANK

1.18 No Further Encumbrances. Mortgagor shall not, without the prior written consent of Mortgagee, and unless otherwise provided in the Loan Documents, create, place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any lien or charge on, or conditional sale or other title retention agreement with respect to, the Mortgaged Property, or any portion thereof or interest therein, other than the Permitted Liens, regardless of whether the same are subordinate to the lien(s) and security interest(s) created by this Mortgage.

[End of Article I]

ARTICLE II DEFAULTS AND REMEDIES

2.1. Events of Default. The term "Event of Default", wherever used in this Mortgage, shall mean any one or more of the following events, without regard to any grace period or notice and cure period provided or referenced below with respect to any such events, and the term

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“Default”, wherever used in this Mortgage, shall mean any one or more of the following events, after expiration of any applicable grace period or notice and cure period provided or referenced below with respect to any such events. The Debt shall become immediately due and payable at the option of Mortgagee upon the occurrence of any one or more of the following events, whether such occurrence shall be voluntary, involuntary, by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any rule or regulation of any administrative or governmental body:

- (a) if any portion of the Debt is not paid within five (5) days of the due date or if the Debt is not paid in full on maturity;
- (b) if Mortgagor shall fail to pay any installment of Taxes, Premiums or any other charges or payments due in accordance with the terms of the Note or this Mortgage, and such default shall continue for a period of ten (10) days after the due date;
- (c) if Mortgagor shall fail in the due and punctual observance and performance of any of the covenants, conditions or agreements of the Mortgagor contained in this Mortgage and any other documents executed in connection herewith, except payments due under the Note, and such default shall not be completely cured or remedied within the period of ten (10) days after written notice to, or actual knowledge by, the Mortgagor of the same, or if such default shall be of such a nature that the same cannot be completely cured or remedied within said ten (10) day period, and the Mortgagor shall not have diligently commenced curing such default and undertaken all steps necessary to adequately protect the Premises and its occupants, tenants and invitees against all violations of law, hazards, perils, damage and injury within said ten (10) day period, and shall not thereafter with due diligence and in good faith proceed to completely remedy and cure such default within ninety (90) days of Mortgagor’s receipt of written notice or actual knowledge of such default,
- (d) if Mortgagor shall fail to pay when due any installment of any assessment against the Premises and Improvements for local improvements heretofore or hereafter laid, which assessment is or may become payable in annual or periodic installments and is or may become a lien on the Mortgaged Property;
- (e) if any Federal tax lien is filed against any Mortgagor, guarantor or other obligor of the Note, or the Mortgaged Property and the same is not discharged of record within thirty (30) days after the same is filed;
- (f) except as expressly permitted under the Loan Documents, if without the consent of Mortgagee (which consent in any and all circumstances may be withheld in the sole and absolute discretion of Mortgagee), any part of the Mortgaged Property or any interest of any nature whatsoever therein or any interest of any nature whatsoever in Mortgagor (whether partnership, stock, equity, beneficial, profit, loss or otherwise) is in any manner, by operation of law or otherwise, whether directly or indirectly, further encumbered, sold, transferred, assigned or conveyed, and irrespective of whether any such further encumbrance, sale, transfer, assignment or conveyance is voluntary, by reason or operation of law or is otherwise made, or if any portion of the Mortgaged Property is operated as or converted to a condominium or cooperative ownership regime without the prior written consent of Mortgagee;
- (g) if Mortgagor shall fail to comply with any requirement or order or notice of violation of law or ordinance issued by any Governmental Authority within three (3) months from the issuance thereof, or the time period set forth therein, whichever is less;
- (h) if the Policies are not assigned to Mortgagee or kept in full force and effect, or if the Policies are not delivered to Mortgagee upon request;

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(i) if any representation or warranty of any Mortgagor or any obligor of the Note made herein or in any certificate, report, financial statement or other instrument furnished in connection with the making of the Note, this Mortgage or any guaranty of the Note, shall prove false or misleading in any material respect or shall have omitted any substantial contingent or unliquidated liability or claim;

(j) if Mortgagor, corporate guarantor or any general partner, member or shareholder of Mortgagor or corporate guarantor, (each of whom is hereinafter in this subparagraph referred to as an "Obligor") shall commence any case, proceeding or other action relating to it in bankruptcy or seeking reorganization, liquidation, dissolution, winding up, arrangement, composition or readjustment of its debts, or for any other relief, under bankruptcy, insolvency, reorganization, liquidation, dissolution, winding up, arrangement, composition, readjustment of debt or other similar act or law of any jurisdiction, domestic or foreign, now or hereafter existing; or if an Obligor shall apply for a receiver, custodian or trustee of it or for all or a substantial part of its property; or if an Obligor shall make an assignment for the benefit of creditors; or if an Obligor shall be unable to, or shall admit in writing the inability to pay its debts generally as they become due; or if an Obligor shall take any action indicating its consent to, approval of, acquiescence in, or in furtherance of, any of the foregoing; or if any case, proceeding or other action against an Obligor shall be commenced in bankruptcy or seeking reorganization, liquidation, dissolution, winding up, arrangement, composition or readjustment of its debts, or any other relief, under any bankruptcy, insolvency, reorganization, liquidation, dissolution, arrangement, composition, readjustment of debt or other similar act or law of any jurisdiction, domestic or foreign, now or hereafter existing, and such condition shall continue for a period of sixty (60) days undismissed, undischarged or unbonded; or if a receiver, custodian or trustee of an Obligor or for all or a substantial part of its property shall be appointed and such condition shall continue for a period of sixty (60) days undismissed, undischarged or unbonded; or if a warrant of attachment, execution or distraint, or similar process, shall be issued against any substantial part of the property of an Obligor and such condition shall continue for a period of sixty (60) days undismissed, undischarged or unbonded;

(k) death of any individual Obligor;

(l) if Mortgagor or any other person or entity shall be in Default under the Note, or under any other mortgage, instrument or document evidencing, securing or guaranteeing payment of the Debt, in whole or in part, or otherwise executed and delivered in connection with the Note, this Mortgage or the loan evidenced and secured thereby or hereby;

(m) if Mortgagor or any other person or entity shall be in Default under any mortgage or deed of trust covering any part of the Premises and Improvements whether superior or inferior in lien to this Mortgage, and including, without limitation, any such mortgage or deed of trust now or hereafter held by Mortgagee;

(n) if the Mortgaged Property shall become subject (i) to any tax lien, other than a lien for local real estate taxes and assessments not due and payable, or (ii) to any *lis pendens*, notice of pendency, stop order, notice of intention to file mechanic's or materialman's lien, mechanic's or materialman's lien or other lien of any nature whatsoever and the same shall not either be discharged of record or in the alternative insured over to the satisfaction of Mortgagee by the title company insuring the lien of this Mortgage within a period of thirty (30) days after the same is filed or recorded, and irrespective of whether the same is superior or subordinate in lien or other priority to the lien of this Mortgage and irrespective of whether the same constitutes a perfected or inchoate lien or encumbrance on the Premises and Improvements or is only a matter of record or notice;

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(o) if Mortgagor shall fail to maintain its business in good standing under the applicable regulations of the agencies or governmental authorities having jurisdiction thereof, or its failure to receive and maintain whatever licenses are required, or shall be required, for the ownership, maintenance and operation of the Premises and Improvements;

(p) except for specific defaults set forth in this Article, if Mortgagor shall continue to be in default under any of the other terms, covenants or conditions of this Mortgage for ten (10) days after notice from Mortgagee in the case of any default which can be cured by the payment of a sum of money or for thirty (30) days after notice from Mortgagee in the case of any other default, provided that if such default cannot reasonably be cured within such thirty (30) day period and Mortgagor shall have commenced to cure such default within such thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for so long as it shall require Mortgagor in the exercise of due diligence to cure such default, it being agreed that no such extension shall be for a period in excess of ninety (90) days;

(q) if the Mortgagor or any Obligor, or any affiliate of the aforesaid entities, shall default in the payment of any indebtedness, including, without limitation, any and all other indebtedness now or hereafter owed to the Mortgagee or a default in the performance of any term, covenant, condition or agreement of any such indebtedness if the effect of such default is to permit the holder of such indebtedness to accelerate the maturity thereof; and

(r) The transfer of title to the Mortgaged Property, or any portion thereof, to any party not the Mortgagor hereunder without the prior written consent of Mortgagee.

2.2. Rights and Remedies of Mortgagee. At any time after the occurrence of a Default hereunder remaining uncured for 30 days, Mortgagee shall have all of the rights and remedies available under applicable law, including, by way of illustration and not of limitation, the right:

- (i) to declare the Debt immediately due and payable;
- (ii) to commence and maintain an action or actions in any court of competent jurisdiction to foreclose this Mortgage and the security interest granted herein, or to obtain specific enforcement of the covenants of Mortgagor hereunder, and Mortgagor agrees that such covenants shall be specifically enforceable by injunction or any other appropriate equitable remedy, and that for the purposes of any action brought hereunder, Mortgagor waives the defenses of laches and any statute of limitations;
- (iii) to enter upon, possess, manage and operate the Mortgaged Property or any part thereof, to make, terminate, enforce or modify the Leases upon such terms and conditions as Mortgagee deems proper, and to make repairs, alternations and improvements to the Mortgaged Property necessary in Mortgagee's judgment to protect or enhance the security hereof;
- (iv) to enforce and realize upon, or waive, the security hereunder and any other security now or hereafter held by Mortgagee in such order and manner as Mortgagee may in its sole discretion determine, whether concurrently or successively and in one or several consolidated independent judicial actions or lawfully taken non judicial proceedings, or both;

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- (v) foreclose this Mortgage, and in any such action qualify for the appointment of a receiver of the Mortgaged Property either before or after a foreclosure sale, without notice and without regard to the solvency or insolvency of Mortgagor at the time of the application for such receiver, and without regard to the then value of the Mortgaged Property, and Mortgagee or any holder of the Note may be appointed as such receiver or as Mortgagee in possession. The receiver or Mortgagee in possession shall have the power to collect the Rents during the pendency of such foreclosure action, and in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be a redemption or not, as well as during all other times, when Mortgagor, except for the intervention of the receiver or Mortgagee in possession, would be entitled to collect such Rents, together with all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property during the whole of said period.
- (vi) to sell the Premises in the manner prescribed by law for a non-judicial proceeding for foreclosure by power of sale.
- (vii) in any action to foreclose this Mortgage, or a deficiency judgment, the Mortgagor waives any benefit of the credit for the fair market value of the Premises.

2.3. Appointment of Receiver. The holder of this Mortgage, in any action to foreclose it, shall be entitled to the appointment of a receiver, without notice. In addition, upon the actual or threatened waste to any part of the Mortgaged Property or upon the occurrence of any Default hereunder, the holder of this Mortgage shall be at liberty, without notice, to apply for the appointment of a receiver to enter upon and take possession of the Mortgaged Property to collect all Rents and other benefits thereof, and shall be entitled to the appointment of such receiver as a matter of right, without regard to the value of the Mortgaged Property as security for the Debt, or the solvency or insolvency of any person then liable for the payment of the Debt. All fees and expenses of the receiver, including attorneys fees and compensation for managing agent of receiver, shall be paid by Mortgagor and secured by this Mortgage.

2.4. Sale of Mortgaged Property. If this Mortgage is foreclosed, the Mortgaged Property, or any interest therein, may, at the discretion of Mortgagee, be sold in one or more parcels or in several interests or portions and in any order or manner.

2.5. Recovery of Sums Required To Be Paid. Mortgagee shall have the right from time to time to take action to recover any sum or sums which constitute a part of the Debt as the same become due, without regard to whether or not the balance of the Debt shall be due, and without prejudice to the right of Mortgagee thereafter to bring an action of foreclosure, or any other action, for a default or defaults by Mortgagor existing at the time such earlier action was commenced.

2.6. Actions and Proceedings. Mortgagee shall have the right to appear in and defend any action or proceeding brought with respect to the Mortgaged Property and to bring any action or proceeding, in the name and on behalf of Mortgagor, which Mortgagee, in its discretion, feels should be brought to protect Mortgagee's interest in the Mortgaged Property.

2.7. Right to Cure Defaults. Upon the occurrence of any Default hereunder remaining uncured for 30 days, Mortgagee may, at its discretion, remedy the same and for such purpose shall have the right to enter upon the Mortgaged Property or any portion thereof without thereby

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becoming liable to Mortgagor or any person in possession thereof holding under or claiming under or through Mortgagor, it being understood and agreed that nothing contained in this Mortgage shall in any manner obligate Mortgagee to remedy any default hereunder. If Mortgagee shall remedy such Default or appear in, defend, or bring any action or proceeding to protect Mortgagee's interest in the Mortgaged Property or to foreclose this Mortgage or collect the Debt, the costs and expenses thereof (including reasonable attorneys' fees to the extent permitted by law), with interest as provided in this paragraph, shall be paid by Mortgagor to Mortgagee upon demand. All such costs and expenses incurred by Mortgagee in remedying such Default or in appearing in, defending, or bringing any such action or proceeding shall be paid by Mortgagor to Mortgagee upon demand, with interest at the Default Rate as defined in the Note, provided, however, that the Default Rate shall in no event exceed the maximum interest rate which Mortgagor may by law pay, for the period after notice from Mortgagee that such costs or expenses were incurred to the date of payment to Mortgagee. To the extent any of the aforementioned costs or expenses paid by Mortgagee after default by Mortgagor shall constitute payment of (i) Taxes, charges or assessments which may be imposed by law upon the Mortgaged Property, (ii) Premiums on insurance policies covering the Mortgaged Property, (iii) expenses incurred in preserving and protecting the lien of this Mortgage, including, but not limited to, the costs and expenses, including, without limitation, attorneys' fees and expenses, of any litigation to collect the indebtedness secured by this Mortgage or to prosecute, defend, protect or preserve the rights and the lien created by this Mortgage, or (iv) any amount, cost or charge to which Mortgagee becomes subrogated, upon payment, whether under recognized principles of law or equity, or under express statutory authority; then, and in each such event, such costs, expenses and amounts, together with interest thereon at the Default Rate, shall be added to the indebtedness secured by this Mortgage and shall be secured by this Mortgage.

2.8. Late Payment Charge. If any installment of principal, interest or other sum payable under this Mortgage is not paid within ten (10) days after the date on which it is due, Mortgagor shall pay to Mortgagee upon demand an amount equal to five percent (5%) of such unpaid installment as a late payment charge in order to defray part of the increased cost of collection occasioned by any late payments, as liquidated damages and not as a penalty, since actual damages are impossible to determine at this time. This charge shall be in addition to, and not in lieu of, any other remedy Mortgagee may have and is in addition to any reasonable fees and charges of any agents or attorneys which Mortgagee is entitled to employ on any defaults hereunder, whether authorized herein or by law.

2.9. Non-Waiver. The failure of Mortgagee to insist upon strict performance of any term of this Mortgage shall not be deemed to be a waiver of any term of this Mortgage. No delay or omission by Mortgagee to exercise any right, power or remedy accruing under this Mortgage shall be construed to be a waiver of any default or acquiescence therein. A waiver in one or more instances to exercise any right, power or remedy accruing hereunder shall apply only to the particular instance or instances, and at the particular time or times only, and no such waiver shall be deemed a continuing waiver, but every term, covenant, provision or condition establishing such right, power or remedy shall survive and continue to remain in full force and effect. Mortgagor shall not be relieved of Mortgagor's obligation to pay the Debt at the time and in the manner provided for its payment in the Note and this Mortgage by reason of: (i) failure of Mortgagee to comply with any request of Mortgagor to take any action to foreclose this Mortgage or otherwise enforce any of the provisions hereof or of the Note or any other mortgage, instrument or document evidencing, securing or guaranteeing payment of the Debt or any portion thereof, (ii) the release, regardless of consideration, of the whole or any part of the Mortgaged Property or any other security for the Debt, or (iii) any agreement or stipulation between Mortgagee and any subsequent owner or owners of the Mortgaged Property or other person extending the time of payment or otherwise modifying or supplementing the terms of the Note, this Mortgage or any other mortgage, instrument or document evidencing, securing or guaranteeing payment of the Debt or any portion thereof, without first having obtained the consent of Mortgagor, and in the latter event, Mortgagor shall continue to be obligated to pay the Debt at the time and in the manner provided in the

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Note and this Mortgage, as so extended, modified and supplemented, unless expressly released and discharged from such obligation by Mortgagee in writing. Regardless of consideration, and without the necessity for any notice to or consent by the holder of any subordinate lien, encumbrance, right, title or interest in or to the Mortgaged Property, Mortgagee may release any person at any time liable for the payment of the Debt or any portion thereof or any part of the security held for the Debt and may extend the time of payment or otherwise modify the terms of the Note or this Mortgage, including, without limitation, a modification of the interest rate payable on the principal balance of the Note, without in any manner impairing or affecting this Mortgage or the lien hereof or the priority of this Mortgage, as so extended and modified, as security for the Debt over any such subordinate lien, encumbrance, right, title or interest. Mortgagee may resort for the payment of the Debt to any other security held by Mortgagee in such order and manner as Mortgagee, in its discretion, may elect. Mortgagee may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Mortgagee thereafter to foreclose this Mortgage. Mortgagee shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every additional right and remedy now or hereafter afforded by law or equity. The rights of Mortgagee under this Mortgage shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Mortgagee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision.

2.10. Absolute and Unconditional Obligation. Mortgagor acknowledges that Mortgagor's obligation to pay the Debt in accordance with the provisions of the Note and this Mortgage is and shall at all times continue to be absolute and unconditional in all respects, and shall at all times be valid and enforceable irrespective of any other agreements or circumstances of any nature whatsoever which might otherwise constitute a defense to the Note or this Mortgage or the obligation of Mortgagor thereunder to pay the Debt or the obligations of any other person relating to the Note or this Mortgage or the obligations of Mortgagor under the Note or this Mortgage or otherwise with respect to the loan secured hereby, and Mortgagor absolutely, unconditionally and irrevocably waive any and all right to assert any setoff, counterclaim or crossclaim of any nature whatsoever with respect to the obligations of Mortgagor to pay the Debt in accordance with the provisions of the Note and this Mortgage or the obligations of any other person relating to the Note or this Mortgage or obligations of Mortgagor under the Note or this Mortgage or otherwise with respect to the loan secured hereby in any action or proceeding brought by Mortgagee to collect the Debt, or any portion thereof, or to enforce, foreclose and realize upon the lien and security interest created by this Mortgage or any other document or instrument securing repayment of the Debt.

2.11. Waiver of Statutory Rights. Mortgagor shall not and will not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws, or any so called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws to the full extent that Mortgagor may do so under applicable law. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Mortgaged Property marshaled upon any foreclosure of the lien of this Mortgage and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold as an entirety. Mortgagor hereby waives for itself and all who may claim through or under it, and to the full extent Mortgagor may do so under applicable law, any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage or granted under any statute now existing or hereafter enacted.

2.12. Remedies Cumulative. All of the rights and remedies conferred upon the Mortgagee by this Mortgage, the Note and all other documents evidencing and securing the payment of the Note and conferred by law and equity shall be cumulative and in addition to every other right, power and remedy, express or implied, now or hereafter existing at law and in equity, including, without

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limitation, all rights conferred under the Sections 254 and 273 of the Real Property Law of New York, and each and every right, power and remedy herein or therein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Mortgagee.

2.13. Trial by Jury Waiver. The Mortgagor and the Mortgagee (by acceptance of this mortgage) mutually hereby knowingly, voluntarily and intentionally waive the right to a trial by jury in respect of any claim based hereon, arising out of, under or in connection with the note or any other loan documents contemplated to be executed in connection herewith or any course of conduct, course of dealings, statements (whether verbal or written) or actions of any party, including, without limitation, any course of conduct, course of dealings, statements or actions of the Mortgagee relating to the administration of the loan or enforcement of the loan documents, and agree that neither party will seek to consolidate any such action with any other action in which a jury trial cannot be or has not been waived. Except as prohibited by law, Mortgagor hereby waives any right it may have to claim or recover in any litigation any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. Mortgagor certifies that no representative, agent or attorney of the Mortgagee has represented, expressly or otherwise, that the Mortgagee would not, in the event of litigation, seek to enforce the foregoing waiver. This waiver constitutes a material inducement for the Mortgagee to accept this mortgage and make the Loan.

2.14. Reappraisal of Mortgaged Property. At reasonable intervals, the Mortgagee may order a reappraisal of the Mortgaged Property by an independent appraiser of its selection, or by an employee of the Mortgagee, and Mortgagor agrees to allow access to the Mortgaged Property to such independent appraiser or employee of the Mortgagee, and in the case of an independent appraiser, the Mortgagor shall pay such appraiser's reasonable fee and expenses if Mortgagor is in default at the time of such appraisal.

[End of Article II]

ARTICLE III MISCELLANEOUS

3.1. Notice. Any notice, request, demand, statement, authorization, approval or consent made hereunder shall be in writing and shall be sent by regular mail or Federal Express, or other reputable nationally recognized courier service, or by postage pre-paid registered or certified mail, return receipt requested, and shall be deemed given when received or refused (as indicated on the receipt) and addressed to the parties at their respective addresses first stated above.

Each party may designate a change of address by notice given, as herein provided, to the other party, at least fifteen (15) days prior to the date such change of address is to become effective.

3.2. Waiver of Notice. Mortgagor shall not be entitled to any notices of any nature whatsoever from Mortgagee except with respect to matters for which this Mortgage specifically and expressly provides for the giving of notice by Mortgagee to Mortgagor and Mortgagor hereby expressly waives the right to receive any notice from Mortgagee with respect to any matter for which this Mortgage does not specifically and expressly provide for the giving of notice by Mortgagee to Mortgagor.

3.3. Corporate, Partnership or Other Authorization. Mortgagor (if a corporation, partnership or other entity) represents and warrants that it is a corporation, partnership, or other entity, as the case may be, duly organized, validly existing and in good standing under the laws of the state of its formation, and is duly qualified to do business in the state in which the Premises are located; that the Mortgagor is duly authorized and empowered to execute, acknowledge and deliver this Mortgage and all documents required hereunder; that all corporate or partnership action on its part required for the issuance

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and delivery of this Mortgage and the other documents referred to herein have been duly and effectively taken; and that this Mortgage and all documents executed in connection herewith constitute valid and enforceable obligations of Mortgagor.

3.4. Entire Agreement. This Mortgage, the Note and all other documents referred to and incorporated herein contain the entire agreement between the parties hereto and cannot be changed, amended, modified or revised in any manner whatsoever, except by another instrument in writing duly executed by the parties hereto.

3.5. Trust Fund. Mortgagor shall receive the advances secured by this Mortgage and shall hold the right to receive such advances as a trust fund to be applied first for the purpose of paying the cost of any improvement and shall apply such advances first to the payment of the cost of any such improvement on the Premises before using any part of the total of the same for any other purpose.

3.6. Binding Effect. This Mortgage shall run with the land and shall bind the Mortgagor, its heirs, personal representatives, successors and assigns, and all subsequent owners, lienholders, tenants and sub-tenants of the Premises, and shall inure to the benefit of the Mortgagee, the personal representatives, successors and assigns of the Mortgagee and all subsequent holders of this Mortgage. In the event the Mortgagor shall comprise more than one person, firm or corporation, their obligations hereunder shall be considered joint and several.

3.7. Ambiguity and Construction of Certain Terms. Neither this Mortgage, the Note, nor any other document executed in connection herewith, nor any uncertainty or ambiguity contained therein shall be construed or resolved against Mortgagee by virtue of the fact that such documents have originated with Mortgagee as drafter. The Mortgagor acknowledges that it has reviewed and has had the opportunity to consult with counsel on same. The loan documents, therefore, shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties hereto. All personal pronouns used herein, whether used in the masculine, feminine or neuter gender, shall be deemed to include all other genders; the singular shall include the plural and vice-versa. Titles of articles and paragraphs are for convenience only. "Herein," "hereof," "herewith" and "hereunder" and other words of similar import refer to this Mortgage or the loan transaction as a whole and not to any particular section, paragraph or other subdivision; "Paragraph" refers to the entire paragraph and not to any particular subparagraph, section or other subdivision. Reference to days for performance shall mean calendar days unless business days are expressly indicated.

3.8. Estoppel Certificates. Mortgagor shall within ten (10) days after request by Mortgagee furnish Mortgagee or any proposed assignee with a statement, duly acknowledged and certified, setting forth (i) the amount of the original principal amount of the Note, (ii) the unpaid principal amount of the Note, (iii) the rate of interest of the Note, (iv) the terms of payment and maturity date of the Note, (v) the date installments of interest and/or principal were last paid, (vi) that, except as provided in such statement, there are no defaults or events which with the passage of time or the giving of notice or both, would constitute an event of default under the Note or this Mortgage, (vii) that the Note and this Mortgage are valid, legal and binding obligations and have not been modified or if modified, giving particulars of such modification, (viii) whether any offsets or defenses exist against the obligations and have not been modified or if modified, giving particulars of such modification, (viii) whether any offsets or defenses exists against the obligations secured hereby and, if any are alleged to exist, a detailed description thereof, (ix) that all Leases are in full force and effect and (provided the Mortgaged Property is not a residential multifamily property) have not been modified (or if modified, setting forth all modifications), (x) the date to which the rents thereunder have been paid pursuant to the Leases, (xi) whether or not, to the best knowledge of Mortgagor, any of the lessees under the Leases are in default under the Leases, and if any of the lessees are in default, setting forth the specific nature of all such

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defaults, (xii) the amount of security deposits held by Mortgagor under each Lease and that such amounts are consistent with the amounts required under each Lease, and (xiii) as to any other matters reasonably requested by Mortgagee and reasonably related to the Leases, the obligations secured hereby, the Mortgaged Property or this Mortgage.

3.9. Changes in Laws Regarding Taxation. In the event of the passage after the date of this Mortgage of any law of the State in which the Mortgaged Property is located deducting from the value of real property for the purpose of taxation any lien or encumbrance thereon or changing in any way the laws for the taxation of mortgages or debts secured by mortgages for state or local purposes or the manner of the collection of any such taxes, and imposing a tax, either directly or indirectly, on this Mortgage, the Note or the Debt, Mortgagor shall, if permitted by law, pay any tax imposed as a result of any such law within the statutory period or within fifteen (15) days after demand by Mortgagee, whichever is less.

3.10. No Credits on Account of the Debt. Mortgagor will not claim or demand or be entitled to any credit or credits on account of the Debt for any part of the Taxes assessed against the Mortgaged Property or any part thereof and no deduction shall otherwise be made or claimed from the taxable value of the Mortgaged Property, or any part thereof, by reason of this Mortgage or the Debt.

3.11. Documentary Stamps. If at any time the United States of America, any state thereof, or any governmental subdivision of any such state, shall require revenue or other stamps to be affixed to the Note or this Mortgage, Mortgagor will, upon demand, pay for the same, with interest and penalties thereon, if any.

3.12. Filing of Mortgage, etc. Mortgagor will pay all title insurance fees and charges, all filing, registration and recording fees, and all expenses incident to the preparation, execution and acknowledgment of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Mortgaged Property, and any instrument of further assurance, and all Federal, state, county and municipal taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Mortgaged Property or any instrument of further assurance. Mortgagor shall hold harmless and indemnify Mortgagee, its successors and assigns, against any liability incurred by reason of the imposition of any tax on the making and recording of this Mortgage.

3.13. Further Acts, etc. Mortgagor will at its cost, and without expense to Mortgagee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignments, transfers and assurances as Mortgagee shall, from time to time, require for the better assuring, conveying, assigning, transferring and confirming unto Mortgagee the property and rights hereby mortgaged or intended now or hereafter so to be, or which Mortgagor may be or may hereafter become bound to convey or assign to Mortgagee, or for carrying out the intention or facilitating the performance of the terms of this Mortgage or for filing, registering or recording this Mortgage and, on demand, will execute and deliver and hereby authorizes Mortgagee to execute in the name of Mortgagor to the extent Mortgagee may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments, to evidence more effectively the lien hereof upon the Mortgaged Property.

3.14. Usury Savings Clause. It is the express intent hereof that Mortgagor not pay and Mortgagee not receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be legally paid by Mortgagor under applicable law, and the Note is subject to the express condition that at no time shall Mortgagor be obligated or required to pay, nor shall Mortgagee be permitted to collect, interest on the principal balance of the Note at a rate which could subject Mortgagee

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to either civil or criminal liability as a result of being in excess of the maximum rate which Mortgagor is permitted by law to agree to pay. If any such excess amount of interest is contracted for, charged, paid, received or applied under the Loan Documents or the Note, or in the event the maturity of the indebtedness secured hereby is accelerated in whole or in part or all or part of the principal of or interest on the Note shall be prepaid, so that under any of such circumstances the amount of interest contracted for, charged, paid, received or applied under the Loan Documents or the Note on the amount of principal actually outstanding from time to time under the Note shall exceed the maximum amount of interest permitted by applicable law, then in any such event (a) neither Mortgagor, nor any other person liable for payment of the indebtedness secured hereby shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum amount of interest permitted by applicable law, (b) any such excess which may have been collected shall, at Mortgagee's option, either be applied as a credit against the then unpaid principal amount of the Note or refunded to Mortgagor and (c) the effective rate of interest shall be automatically reduced to the maximum lawful rate of interest allowed under applicable law, as now or hereafter construed by the courts having jurisdiction thereof. Without limiting the generality of the foregoing, all calculations of the rate of interest contracted for, charged or received under the Loan Documents or the Note which are made for the purposes of determining whether such rate exceeds the maximum amount of interest permitted by applicable law shall be made, to the extent permitted by applicable law, by amortizing, prorating, allocating and spreading in equal parts during the period of the full stated term of the Note, all interest at any time contracted for, charged or received in connection with the indebtedness evidenced by the Note.

3.15. Expenses and Indemnity. (a) Mortgagor shall pay on demand all expenses of the Mortgagee in connection with the preparation, administration, default, collection, waiver or amendment of loan terms, or in connection with the Mortgagee's exercise, preservation or enforcement of any rights, remedies or options hereunder, including, without limitation, reasonable fees of outside legal counsel or the allocated costs of in-house legal counsel, accounting, consulting, brokerage or other similar professional fees or expenses, any fees or expenses associated with recording, title, escrow, inspection, travel or other costs relating to any appraisals or examinations conducted in connection with the loan or any collateral therefor, and all other costs and expenses of every character which have been incurred or which may hereafter be incurred by Mortgagee in connection with the loan, and the amount of all such expenses shall, until paid, bear interest at the rate applicable to principal hereunder (including any default rate) and be an obligation secured by any collateral; and (b) Anything in this Mortgage or the other Loan Documents to the contrary notwithstanding, Mortgagor shall indemnify and hold Mortgagee harmless and defend Mortgagee at Mortgagor's sole cost and expense against any loss or liability, cost or expense (including, without limitation, reasonable attorneys' fees and disbursements of Mortgagee's counsel, whether in house staff, retained firms or otherwise), and all claims, actions, procedures and suits arising out of or in connection with (i) any ongoing matters arising out of the transaction contemplated hereby, the Debt, this Mortgage, the Note or any Loan Documents, (ii) any amendment to, or restructuring of, the Debt and this Mortgage, the Note or any of the other Loan Documents, and (iii) any and all legal action that may be taken by Mortgagee in connection with the enforcement of the provisions of this Mortgage or the Note or any of the other Loan Documents, whether or not suit is filed in connection with the same, or in connection with Mortgagor, any Guarantor or any partner, joint venturer or shareholder thereof becoming a party to a voluntary or involuntary federal or state bankruptcy, insolvency or similar proceeding. All sums expended by Mortgagee shall be payable on demand and, until reimbursed by Mortgagor pursuant hereto, shall be deemed additional principal of the Debt and secured hereby and shall bear interest at the Default Rate.

3.16 Right of Setoff. Mortgagor hereby grant to the Mortgagee a continuing lien, security interest and right of setoff as security for the liabilities and obligations to the Mortgagee, whether now existing or hereafter arising, upon and against all deposits, escrows, reserves, credits, collateral and property, now or hereafter in possession, custody, safekeeping or control of the Mortgagee or any entity

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under the control of Mortgagee and its successors and assigns or in transit to any of them. At any time, without demand or notice (any such notice being expressly waived by Mortgagor) the Mortgagee may setoff the same or any part thereof and apply the same to the Debt. Any and all rights to require the Mortgagee to exercise its rights or remedies with respect to any other collateral which secures the loan, prior to exercising its right of setoff with respect to such deposits, credits or other property of the Mortgagor or any Guarantor, are hereby knowingly, voluntarily and irrevocably waived.

3.17. No Oral Change. This Mortgage may only be modified, amended or changed by an agreement in writing signed by Mortgagor and Mortgagee, and may only be released, discharged or satisfied of record by an agreement in writing signed by Mortgagee. No waiver of any term, covenant or provision of this Mortgage shall be effective unless given in writing by Mortgagee and if so given by Mortgagee shall only be effective in the specific instance in which given. Mortgagor acknowledge that the Note, this Mortgage and the other documents and instruments executed and delivered in connection therewith or otherwise in connection with the loan secured hereby set forth the entire agreement and understanding of Mortgagor and Mortgagee with respect to the loan secured hereby and that no oral or other agreement, understanding, representation or warranty exists with respect to the loan secured hereby other than those set forth in the Note, this Mortgage and the other Loan Documents.

3.18. Enforceability. This Mortgage and the obligations arising hereunder shall be governed by, and construed in accordance with, the laws of the State in which the Mortgaged Property is located and any applicable laws of the United State of America. Whenever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Mortgage shall be unenforceable or prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such unenforceability, prohibition or invalidity, without invalidating the remaining provisions of this Mortgage.

3.19. Relationship. The relationship of Mortgagee to Mortgagor hereunder is strictly and solely that of lender and borrower and mortgagor and mortgagee and nothing contained in the Note, this Mortgage or any other document or instrument now or hereafter executed and delivered in connection therewith or otherwise in connection with the loan secured hereby is intended to create, or shall in any event or under any circumstance be construed as creating, a partnership, joint venture, tenancy in common, joint tenancy or other relationship of any nature whatsoever between Mortgagee and Mortgagor other than as lender and borrower and mortgagor and mortgagee.

3.20. Liability. If Mortgagor consists of more than one person or entity, the obligations and liabilities of each such person or entity hereunder shall be joint and several.

3.21. Certain Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Mortgage shall be used interchangeably in singular or plural form and the word "Borrower" shall mean each Borrower and the word "Mortgagor" shall mean each Mortgagor, and any subsequent owner or owners of the Mortgaged Property or any part thereof or interest therein; the word "Mortgagee" shall mean Mortgagee or any subsequent holder of the Note; the word "Note" shall mean the Note, any amendment, extension, modification, restatement or replacement thereof or any other evidence of indebtedness secured by this Mortgage; the word "Guarantor" shall mean each person guaranteeing payment of the Debt or any portion thereof or performance by Mortgagor of any of the terms of this Mortgage and their respective heirs, executors, administrators, legal representatives, successors and assigns; the word "person" shall include an individual, corporation, partnership, trust, unincorporated association, government, governmental authority, or other entity; the words "Mortgaged Property" shall include any portion of the Mortgaged Property or interest therein. Whenever the context may require, any pronouns used herein shall include

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the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

3.22. Headings, etc. The headings and captions of various paragraphs of this Mortgage are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

3.23. Duplicate Originals. This Mortgage may be executed in any number of duplicate originals, and each such duplicate original shall be deemed to constitute but one and the same instrument.

3.24. Sole Discretion of Mortgagee. Except as may otherwise be expressly provided herein the contrary or as required by applicable law, wherever pursuant to the Note, this Mortgage or any other document or instrument now or hereafter executed and delivered in connection therewith or otherwise with respect to the loan secured hereby, Mortgagee exercises any right given to it to consent or not consent, or to approve or disapprove, or any arrangement or term is to be satisfactory to Mortgagee, the decision of Mortgagee to consent or not consent, or to approve or disapprove, or to decide that arrangements or terms are satisfactory or not satisfactory, shall be in the sole and absolute discretion of Mortgagee and shall be final and conclusive.

3.25. Reasonableness. If at any time Mortgagor believes that Mortgagee has not acted reasonably in granting or withholding any approval or consent under the Note, this Mortgage or any other document or instrument now or hereafter executed and delivered in connection therewith or otherwise with respect to the loan secured hereby, as to which approval or consent either Mortgagee has expressly agreed to act reasonably, or absent such agreement, a court of law having jurisdiction over the subject matter would require Mortgagee to act reasonably, then Mortgagor's sole remedy shall be to seek injunctive relief or specific performance and no action for monetary damages or punitive damages shall in any event or under any circumstance be maintained by Mortgagor against Mortgagee.

3.26. Brokerage. Mortgagor shall pay in full all brokerage commissions due any party upon the execution and delivery hereof. Mortgagor covenants and agrees that no brokerage commission or other fee, commission or compensation is to be paid by Mortgagee and Mortgagor agrees to indemnify Mortgagee against any claims for any of the same.

3.27. Sale/Assignment. Mortgagor acknowledges that Mortgagee shall have the right in its sole and absolute discretion during the term of the Note to (i) to sell and assign the Note or participation interests in the Note and/or (ii) to effect a so called securitization of the loan evidenced by the Note, in each instance in such manner and on such terms and conditions as Mortgagee shall deem to be appropriate. Mortgagor shall cooperate, and shall cause each indemnitor and other person or party associated or connected with the Note or the collateral therefor to cooperate, in all respects with Mortgagee in connection with such sale, assignment, participation and/or securitization, and shall, in connection therewith, execute and deliver such estoppels, certificates, instruments and documents as may be requested by Mortgagee. Mortgagor grants to Mortgagee, and shall cause each indemnitor and other person or party associated or connected with the Note or the collateral therefor to grant to Mortgagee, the right to distribute on a confidential basis financial and other information concerning Mortgagor, each such indemnitor and other person or party and the property encumbered by this Mortgage and other pertinent information with respect to the Note to any party who has indicated to Mortgagee an interest in entering into such sale, assignment and/or securitization of the loan evidenced by the Note. If Mortgagor shall default in the performance of its obligations as set forth in this paragraph, and if such default shall not be remedied by Mortgagor within ten (10) days after notice by Mortgagee, Mortgagee shall have the right in its discretion to declare the Debt immediately due and payable.

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3.28. Pledge to Federal Reserve. Mortgagee may at any time pledge or assign all or any portion of its rights under the Loan Documents (including any portion of the Note) to any of the twelve (12) Federal Reserve Banks organized under Section 4 of the Federal Reserve Act, 12 U.S.C. Section 341. No such pledge or assignment or enforcement thereof shall release the Mortgagee from its obligations under any of the Loan Documents.

3.29 Governing Law. This Note shall be governed by, and construed in accordance with the laws of the state in which the Mortgaged Property is located.


3.30. Regulation U Exclusion. No portion of the proceeds of the loan shall be used, in whole or in part, for the purpose of purchasing or carrying any "margin stock" as such term is defined in Regulation U of the Board of Governors of the Federal Reserve System.


[End of Article III]

IN WITNESS WHEREOF, Mortgagor has duly executed this Mortgage the day and year first above written.

WITNESS:

**MORTGAGOR:
SSN Group LLC**



William F. McGuinn


Ethan M. Cohen

By:

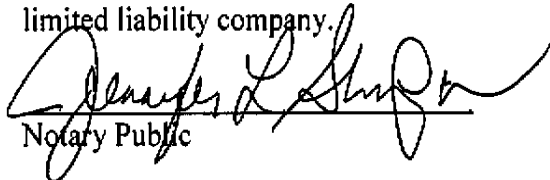


Mark Herman, Manager

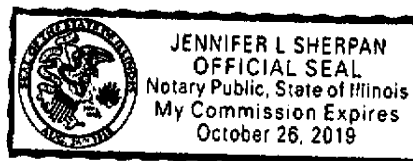
[Space Below This Line for Acknowledgment]

STATE OF ILLINOIS }
 }
COUNTY OF Cook } ss.:

The foregoing instrument was acknowledged before me this 29th day of September, 2017 by Mark Herman, Manager of SSN Group LLC, an Illinois limited liability company, on behalf of limited liability company.



Notary Public



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EXHIBIT 'A'

File No.: FAIL614634 ()
 Property: 4500 W. 47th Street, Chicago, IL 60632

PARCEL 1:

That part of Lot 'B' in the Circuit Court Partition of the South Half and that part of the Northwest Quarter, lying South of the Illinois and Michigan Canal Reserve of Section 3, Township 36 North, Range 13 East of the Third Principal Meridian, according to the plat recorded on April 29, 1897 as Document 2530529, in Book 67 of Plats, page 44, bounded and described as follows: Beginning at the intersection of the North line of West 47th Street (said North line being 33 feet North from and parallel with the South line of said Section 3), with the West line of South Kolin Avenue, (a private street), said West line being 236.93 feet East from and parallel with the North and South centerline of said Section 3; thence North along West line of Kolin Avenue to its intersection with a line 358.55 feet North from and parallel with said South line of Section 3; thence West along last described parallel line to a point of curve, which is 550.41 feet West of said North and South centerline of Section 3; thence Northwesterly along a curved line convex to the Southwest having a radius of 312.93 feet and being tangent to last described line at said point of curve, an arc distance of 104.61 feet to a point of compound curve; thence continuing Northwesterly along a curved line convex to the Southwest having a radius of 883.18 feet and having common tangent line with the last described curved line at said point of compound curve, an arc distance of 77.03 feet to a point of compound curve; thence continuing Northwesterly along a curved line convex to the Southwest and a radius of 311.12 feet and having a common tangent with the last described curved line at said point of compound curve, an arc distance of 286.65 feet, more or less, to its intersection with the Westerly boundary line at this point to the parcel of land conveyed by the Chicago River and Indiana Railroad Company to The First National Bank of Chicago by Deed dated March 6, 1951 and recorded March 8, 1951 in Book 46556, page 458 as Document 15026337, said point intersection, being 2046.42 feet South of the East and West centerline said Section 3; thence South along said Westerly boundary line of the Chicago River and Indiana Railroad as conveyed to its intersection with a line drawn parallel with and 529.71 feet North of the South line of said Section 3 and said point of intersection, being 898.82 feet West of the North and South center line of said Section 3; thence West along last described parallel line, a distance of 80 feet, more or less, to its intersection with a line 978.82 feet West of and parallel to said North and South centerline of Section 3; thence South along last described parallel line to its intersection with said North line of West 47th street; thence East along said North line of West 47th street, a distance of 1215.75 feet, more or less, to the point of beginning, in Cook County, Illinois.

EXCEPTING THEREFROM that part of said Lot 'B', described as follows: Beginning at intersection of the North line of West 47th Street (said North line being 33 feet North from and parallel with the South line of said Section 3), with the West line of South Kolin Avenue, (a private street), said West line being 236.93 feet East from and parallel with the North and South centerline of said Section 3; and running thence West along said North line of West 47th street, a distance of 332.31 feet to an intersection with a line 95.38 feet West from and parallel with said North and South centerline of Section 3; thence North along said last described parallel line, a distance of 305.55 feet to an intersection with a line 338.55 feet North from and parallel with said South line of Section 3; thence East along said last described parallel line, a distance of 332.31 feet to an intersection with said West line of South Kolin Avenue; and thence South along said West line of South Kolin Avenue, a distance of 305.55 feet to the point of beginning, in Cook County, Illinois.

UNOFFICIAL COPY

TitleVest Agency, LLC

File No.: FAIL614634 ()

Date: October 18, 2017

PARCEL 2:

A non-exclusive easement for ingress and egress for the benefit of Parcel 1 as created by grant and declaration of easement by and between Ready Metal Manufacturing Company and Chicago Packaging Company recorded November 3, 1988 as Document 88507887.

A.P.N. 19-03-400-019-0000 (Vol. 379) and 19-03-400-033-0000 (Vol. 379) and 19-03-400-193-0000 (Vol. 379) and 19-03-400-201-0000 (Vol. 379)

Property of Cook County Clerk's Office