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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Report Mortgage Fraud
844-768-1713

Doc#: 1806108047 Fee: \$114.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 03/02/2018 09:12 AM Pg: 1 of 34

The property identified as: **PIN: 14-18-328-001-0000**

17019732 NC 3 of 6 CATTAN

Address:

Street: 4051 N Lincoln Avenue

Street line 2:

City: Chicago

State: IL

ZIP Code: 60618

Lender: AMERITAS LIFE INSURANCE CORP

Borrower: 4051 North Lincoln, LLC

Loan / Mortgage Amount: \$3,150,000.00

This property is located within the program area and is exempt from the requirements of 765 ILCS 77/70 et seq. because it is commercial property.

Certificate number: 950E8FB8-D223-4C2E-870E-A248F7EA05F0

Execution date: 2/28/2018

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Prepared by and when recorded return to:
Steven J. Christophersen
Ameritas Life Insurance Corp.
5900 O Street
Lincoln, Nebraska 68510

Loan No. 3171866

**REAL ESTATE MORTGAGE, SECURITY AGREEMENT,
ASSIGNMENT OF RENTS AND FINANCING STATEMENT**

(The maximum principal indebtedness not to exceed \$3,150,000.00)

Property Address: 4051 North Lincoln Avenue
Chicago, Illinois 60618

Assessor's Parcel Number: 14-18-328-001-0000

Date: February 20, 2018

Borrower: 4051 North Lincoln, LLC,
an Illinois limited liability company

Borrower's Mailing Address: 115 Castlemere Place,
North Andover, MA 01845

Lender: Ameritas Life Insurance Corp.

Lender's Mailing Address: 5900 O Street
Lincoln, Nebraska 68510

THIS REAL ESTATE MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND FINANCING STATEMENT ("Mortgage") is made as of February 20, 2018, by 4051 North Lincoln, LLC, an Illinois limited liability company ("Borrower" or "Mortgagor") in favor of and for the benefit of Ameritas Life Insurance Corp., a Nebraska corporation ("Mortgagee" or "Lender"). The mailing addresses of Borrower and Lender are set forth above.

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IT IS HEREBY AGREED:

That Borrower irrevocably grants, bargains, sells, transfers, conveys and assigns, for the benefit and security of Lender, subject to the terms and conditions of this Mortgage, all of the real estate located in the County of Cook, State of Illinois (the "Real Estate") described on Exhibit A attached hereto and by this reference made a part hereof, together with all interest which Borrower now has or may hereafter acquire in and to said Real Estate and in and to:

- (a) All oil, gas and mineral rights, all appurtenances, reversions, remainders, water, water stock and water rights and water right applications, pumps and pumping plants, pipes, flumes and ditches thereunto appertaining, all rights to the use of water as well as all rights in ditches for the irrigation of said Real Estate, and all shares of stock evidencing such rights, together with any and all appurtenances to the Real Estate, including without limitation, all development rights and credits and/or air rights;
- (b) All easements and rights of way appurtenant thereto and all of the estate, right, title, interest, claim and demand whatsoever of Borrower in the Real Estate, either at law or in equity, now or hereafter acquired;
- (c) All structures, buildings and improvements of every kind and description now or at any time hereafter located or placed on the Real Estate (the "Improvements");
- (d) All machinery, appliances, apparatus, equipment and fixtures now or hereafter located in, upon or under the Real Estate or the Improvements, or any part thereof, and used or usable in connection with any present or future operation thereof, and all additions thereto and replacements therefor (the "Fixtures");

Borrower agrees that Fixtures shall include all articles of personal property, furniture and furnishings which are so related to the Real Estate such that an interest arises in them under the real estate laws of the State of Illinois, including, without limiting the generality of the foregoing: all electric wiring, plumbing and heating fixtures, appliances and equipment for heating, lighting, refrigeration, air-conditioning and fire fighting, screen doors, screens, venetian blinds, alarm systems, safety and life support systems, stoves, ovens, dishwashers, carpeting and other floor coverings, and all other equipment now or hereafter installed in or upon said premises by Borrower and used or for use therein or thereon, it being mutually agreed that all of the aforesaid property owned by Borrower and placed on the Real Estate shall be deemed to be Fixtures, a part of the Real Estate covered by this Mortgage to the extent permitted by law; and as to the balance of said property, this Mortgage shall be deemed to be a Security Agreement between Borrower and Lender for the purpose of creating a security interest in said property in favor of Lender pursuant to the terms of Paragraph 23 below, all of which property, whether real or personal, shall secure the performance of Borrower's obligations hereunder and under the Promissory Note as hereinafter defined; provided, however, that if Borrower enters into a separate Security Agreement with Lender relating to any of said property, the terms thereof shall govern the rights and remedies of Lender with regard to the property covered thereby; provided, however, that trade fixtures or other personal property of any tenant now or hereafter installed shall not be included in this provision and shall not be affected hereby. This Mortgage shall be self-operative with respect to such personal property, but Borrower agrees to execute and deliver on demand such security agreements, financing statements and other instruments as Lender may request in order to impose the lien hereof more specifically upon any of such property;

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- (e) All articles of personal property and any additions to, substitutions for, changes in or replacements of the whole or any part thereof, including, without limitation, all furniture and furnishings, now or at any time hereafter affixed to, attached to, placed upon or used in any way in connection with the use, enjoyment, occupancy or operation of the Real Estate or the Improvements, or any portion thereof, and owned by the Borrower or in which Borrower now has or hereafter acquires an interest (the "Personal Property");
- (f) All of the rents, deposits, royalties, issues and profits (the "Rents and Profits") of the Real Estate and the Improvements, or arising from the use or enjoyment of all or any portion thereof or from any lease, license, concession, occupancy agreement or other agreement pertaining thereto (the "Leases"), and all right, title and interest of Borrower in and to all Leases of the Real Estate or of the Improvements now or hereafter entered into and all right, title and interest of Borrower thereunder, including, without limitation, cash or securities deposited thereunder to secure performance by tenants, lessees or licensees, as applicable, or their obligation thereunder;
- (g) All building materials and supplies now or hereafter placed on the Real Estate or in the Improvements;
- (h) All proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including, without limitation, proceeds of insurance and condemnation awards; and
- (i) All other or greater rights and interests of every nature in the Real Estate, the Improvements, the Fixtures and the Personal Property and in the possession or use thereof and income therefrom, whether now owned or subsequently acquired by Borrower.

The property so conveyed hereunder is hereinafter collectively referred to as the "Property".

FOR THE PURPOSE OF SECURING:

- (a) Payment of the aggregate principal sum of Six Million Nine Hundred Thousand and No/100 Dollars (\$6,900,000.00), as the same is evidenced by those two (2) certain Promissory Notes, one note in the amount of Three Million One Hundred Fifty Thousand and No/100 Dollars (\$3,150,000.00) dated of even date herewith (the "Lincoln Note") and the other note in the amount of Three Million Seven Hundred Fifty Thousand and No/100 Dollars (\$3,750,000.00) dated as of January 16, 2018 (the "Broadway Note") (collectively the "Loan"), where the former note was made and issued by Borrower to Lender, and the latter note was made and issued by 6150 North Broadway, LLC, an Illinois limited liability company and commonly owned affiliate of Borrower, to Lender ("North Broadway"), together with all interest, accrued or otherwise, and expenses (including reasonable attorneys' fees) due thereunder and any extensions, modifications, renewals or replacements thereof (hereinafter collectively referred to as the "Promissory Note"). The interest rate, payment terms and balance due with respect to the Loan described herein may be indexed, adjusted, renewed or renegotiated in accordance with the terms of the two (2) promissory notes comprising the Promissory Note and/or on account of any extensions or renewals of the Promissory Note, collectively, or any of the foregoing two (2) promissory notes, individually;

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- (b) Payment of late charges, prepayment charges and charges calculated on the same basis as prepayment charges upon acceleration of the indebtedness secured hereby;
- (c) Performance, discharge of and compliance with every obligation, covenant and agreement of Borrower incorporated by reference or contained herein, or contained in the Promissory Note, in a separate Assignment of Rents and Leases or Security Agreement and any other instrument now or hereafter evidencing or securing the indebtedness evidenced by the Promissory Note (all of which are collectively hereinafter called the "Security Documents");
- (d) Payment of all fees and charges of Lender set forth herein; and
- (e) Payment of all obligations incurred and all monies expended or advanced by Lender pursuant to the terms hereof or the Security Documents to protect the Property.

Notwithstanding any terms in this Mortgage to the contrary, this Mortgage shall not be deemed to secure that certain Environmental Indemnity of even date herewith executed by Borrower, which does not and shall not constitute additional security for the Loan secured hereby.

TO PROTECT THE SECURITY OF THIS MORTGAGE, BORROWER COVENANTS:

1. Title:

That it is lawfully seized and possessed of a good and indefeasible title and estate to the Property in fee simple, subject only to the "Permitted Exceptions" shown on Exhibit B attached hereto and by this reference incorporated herein; that it will forever warrant and defend the title thereto against the claims and demands of all persons whosoever; and that it will, at its expense, maintain and preserve the lien of this Mortgage as a first and paramount lien upon the Property.

2. Maintenance and Leases:

- (a) To maintain the Property in its present condition and repair; to complete or restore promptly and in good workmanlike manner any building or other Improvements which may be constructed, damaged or destroyed thereon, and to pay, when due, all claims for labor performed and materials furnished therefor and for any alterations thereof; to comply with the provisions of all covenants, conditions and restrictions, if any, affecting the Property; not to remove, demolish or materially alter any building or other Improvements, or the character or use thereof at any time; not to drill or extract nor to permit the drilling for or extraction of oil, gas or other hydrocarbon substances or any mineral of any kind unless the written consent of Lender is first had and obtained; not to commit or permit any waste thereof or any act upon the Property in violation of law; to do all other acts in a timely and proper manner which from the character or use of the Property may be reasonably necessary to protect and preserve said security, the specific enumerations herein not excluding the general, and to keep within the Improvements all Fixtures and all Personal Property originally installed or thereafter placed in the Improvements except for the purpose of replacing such Fixtures or Personal Property with Fixtures or Personal Property having fair value, both physical and economic, of the Fixtures or Personal Property so removed.
- (b) To faithfully perform all of the covenants of the lessor or landlord under any and all present and future Leases affecting the Property, and neither do nor neglect to do,

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nor permit to be done, anything which may diminish or impair the value of all such Leases or the Rents and Profits provided for in such Leases, or the interest of the lessor or of the Lender therein or thereunder.

3. Insurance:

- (a) The buildings and improvements shall be continually insured by Special Causes of Loss coverage for 100% of the insurable replacement cost of the improvements. If such policy contains co-insurance, then Lender, in its sole discretion, may require an Agreed Amount/Value Endorsement. The policy shall also include ordinance and law coverage, plate glass, boiler and machinery or equipment breakdown coverage, windstorm, hail coverage and earthquake (if required by Lender); and such other insurance protections reasonably required by Lender. Flood insurance will be required if the Property or any part thereof is in a flood zone area. The policy shall list Lender as mortgagee and include a lender's loss payable endorsement. Borrower shall continually provide rental insurance in an amount sufficient to cover any period of time during which one or more tenants at the Property may be entitled to abatement of rent but for no less than twelve months of actual loss sustained (ALS), or in an amount determined by Lender in its sole discretion. A lender's loss payable endorsement shall be included as part of the foregoing coverage. In the event Borrower or any affiliate or subsidiary of Borrower should occupy the Property then Borrower shall, in lieu of the foregoing rental insurance, provide Business Income Extra Expense coverage in an amount sufficient to cover monthly installment payments on the Loan together with annual taxes and insurance premiums for a period of at least twelve (12) months, or in an amount otherwise determined by Lender in its sole discretion. A lender's loss payable endorsement shall be included as part of the foregoing coverage.
- (b) Borrower shall continually provide comprehensive general liability insurance for an amount as reasonably required from time to time by Lender, but not less than an aggregate amount of \$2,000,000 with an occurrence limit of not less than \$1,000,000. In the event such insurance coverage is provided through a blanket policy, the foregoing limits shall be on a 'per location' or 'per project' basis and not on a 'per policy' basis. Lender shall be listed as an additional insured.
- (c) That said insurance policies shall be endorsed with a standard noncontributory mortgagee's clause in favor of Lender; shall name as insured both Borrower and Lender; shall be issued by companies having a rating of A- VIII or better from A.M. Best and Company and shall be in such forms satisfactory to Lender; shall provide that such policies will not be cancelled or materially amended without at least thirty (30) days' prior written notice to Lender; and shall be delivered to, and remain in possession of, Lender as further security for the faithful performance of these obligations, which delivery shall constitute an assignment by Borrower to Lender to all rights thereunder, including all return premiums. Borrower shall deliver to Lender original copies of all policies of insurance required hereby and original certificates or policies renewing or extending any expiring insurance with a receipt showing premiums paid at least thirty (30) days before expiration. If Borrower fails to so deliver any renewal policies, Lender may procure such insurance as it may elect and may make payment of premiums thereon, which payment is repayable on demand. Lender shall not be responsible for obtaining or maintaining such insurance. Lender, from time to time, may furnish to any insurance agency or company, or any other person, any information contained in or extracted from any insurance policy theretofore delivered to Lender pursuant hereto, and any information concerning the loan secured hereby. In no event and whether or not an Event of Default hereunder has occurred shall Lender, by the fact of approving, accepting or obtaining such insurance, incur any liability for the amount of such

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insurance, the form or legal sufficiency of insurance contracts, solvency of insurers, or payment of losses by insurers; and Borrower hereby expressly assumes full responsibility therefor and liability, if any, thereunder. In the event of loss, Borrower shall give immediate written notice to Lender; and Lender may, but is not obligated to, make proof of loss if not made promptly by Borrower.

Notwithstanding anything to the contrary contained in this Section 3, during the time period that Highland Park CVS, L.L.C. ("Tenant") is a tenant in occupancy at the Property pursuant to that certain Amended and Restated Lease with Borrower, as current landlord, dated November 15, 2006 ("Lease"), the Lender agrees to accept the insurance provisions contained in the Lease, in lieu of Borrower's insurance obligations under Sections 3 (a), (b), (c), (d) and (e) of this Mortgage and additionally, Lender shall during this same time period also waive Borrower's rental insurance requirement as set out in subparagraph (a) of this Section 3. However, should Tenant vacate the Property, Borrower shall immediately upon such vacation and without need of any notice from Lender, provide and maintain the insurance required hereunder, including without limitation rental insurance, with respect to the Property. Borrower's insurance obligation shall continue notwithstanding any subsequent re-letting by Borrower of the Property.

- (d) Subject to the terms of the Lease, in the event of loss, any insurance proceeds payable by reason of such loss shall be paid jointly to Lender and Borrower; and if such loss is a Major Damage (as defined below), proceeds shall be applied at Lender's option to reduce the indebtedness hereby secured (and to apply such proceeds to the payment of interest, late charges, or other amounts due from Borrower under the Promissory Note, this Mortgage or any other Security Document), whether then matured or to mature in the future, in such order and manner as Lender may elect; or Lender may permit Borrower to use said proceeds to repair or replace all Improvements damaged or destroyed and covered by said policy, in which case Borrower agrees to repair and rebuild said Improvements without undue delay, holding Lender harmless for, from and against any and all liabilities, claims and liens relating to such repairs or replacements. Should Lender elect to apply the proceeds to the indebtedness, such application shall not be deemed a voluntary prepayment for purposes of the prepayment fee and prepayment premium set forth in the Promissory Note. Borrower agrees that a Major Damage, which is any loss (i) in excess of twenty-five percent (25%) of the insurable replacement cost of the Improvements or (ii) which results in the termination of any Lease or Rents and Profits constituting twenty-five percent (25%) or more of the rental income of the Property (after appropriate credit for the proceeds of loss of rental income insurance required hereby) shall constitute a material impairment of Lender's security for the loan secured hereby.

Notwithstanding the foregoing, in case of partial destruction, which is not a Major Damage insurance proceeds will be made available for repair and restoration of the Property, provided:

- (i) Such destruction occurs at least one (1) year prior to the Maturity Date of the Promissory Note;
- (ii) The Borrower provides a certificate (with appropriate supporting documentation from a contractor acceptable to Lender) that such repair and restoration can be completed within one (1) year;
- (iii) There is no existing Event of Default;

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- (iv) The Property has the same income producing potential as before the destruction; and
 - (v) The amount of proceeds together with additional funds deposited by Borrower into an escrow account established by the parties is sufficient to repair the Property.
- (e) Subject to the terms of the Lease, if Lender applies all or any portion of insurance proceeds to repair or rebuild Improvements, the insurance proceeds required for such rebuilding or repairing shall be received by Lender and held by it in and deposited in an escrow account without payment or allowance of interest. Prior to the commencement of such rebuilding or repair, Borrower shall, at its expense, prepare all plans and specifications necessary for such work and enter into a bonded fixed price construction contract with a contractor acceptable to Lender. Borrower shall promptly deposit in the escrow account an amount equal to the difference between the insurance proceeds deposited with Lender and the total contract price for such rebuilding or repair; and disbursement shall be made (not more frequently than once a month) from said account for such rebuilding or repair in accordance with a disbursement schedule, and subject to other terms and conditions acceptable to Lender, provided that such disbursements shall be charged first against funds deposited in said account by Borrower, and second, after such funds are exhausted, against the insurance proceeds deposited therein. Final payment shall be made upon Lender's receipt of a certificate of occupancy or other certificate issued by an architect, contractor satisfactory to Lender, or an appropriate governmental official, that such repair or replacement has been completed in accordance with plans, specifications and applicable laws and that the Improvements may legally be used or occupied. Lender shall be permitted to withhold any installment in escrow should Lender determine that the funds remaining in escrow are insufficient to pay for the completion of the repair or restoration. All administrative costs incurred in connection with replacement and repair of the Property shall be paid by Borrower.

4. Taxes and Other Sums Due:

- (a) To pay, satisfy and discharge, at least ten (10) days before delinquency, all general and special taxes and assessments affecting the Property, including, but not limited to, any tax assessed on the value of the Property or related to an Improvement or benefit provided to the Property or arising from the production of income attributed to the Property, whether it be in accordance with the law as it presently exists or to yet be enacted. As used herein, the term "taxes and assessments affecting the Property" shall include any form of assessment, possessory interest tax, license fee, license tax, business license fee, business license tax, commercial rental tax, levy, charge, penalty, tax or similar imposition imposed by an authority having the direct power to tax, including any city, county, state or federal government, or any school, agricultural, lighting, drainage or other improvement or special assessment district thereof, as against any legal or equitable interest of Borrower in the Property, including, but not limited to, the following:
 - (i) Any assessment, tax, fee, levy or charge in substitution, partially or totally, of any assessment, tax, fee, levy or charge previously included within the definition of real property tax. It is the intention of Borrower and Lender that all such new and increased assessments, taxes, fees, levies and charges and all similar assessments, taxes, fees, levies and charges be included within the definition of taxes and assessments affecting the Property for the purposes of this Mortgage;

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- (ii) Any assessment, tax, fee, levy or charge allocable to the operation of or measured by the area of the Property, including, without limitation, any gross income tax or excise tax levied in lieu of real property taxes by the state, city or federal government, or any political subdivision thereof, with respect to the possession, leasing, operating, management, maintenance, alteration, repair, use of or occupancy of the Property, or any portion thereof; and
 - (iii) Any assessment, tax, fee, levy or charge upon this transaction or any document creating or transferring any interest or an estate in the Property.
- (b) To pay, satisfy and discharge the following amounts, in no event later than the date such amounts become due:
- (i) All encumbrances, charges and liens, with interest, on the Property, or any part thereof, which are, or appear to Lender to be prior to or superior hereto;
 - (ii) Such other charges as the Lender may deem reasonable for services rendered by Lender and furnished at the request of Borrower or any successor in interest to Borrower;
 - (iii) If the Property includes a leasehold estate, all payments and obligations required of the Borrower, or his successor in interest, under the terms of the instrument or instruments creating such leasehold, Borrower hereby agreeing not to amend, change, or modify Borrower's leasehold interest or the terms of which Borrower has such leasehold interest, or to agree to do so, without the written consent of Lender being first obtained; and
 - (iv) All payments and monetary obligations required of the owner of the Property under any declaration of covenants, conditions and restrictions pertaining to the Property or any modification thereof.
- (c) Should Borrower fail to make any such payment, Lender, without contesting the validity or amount, may elect to make or advance such payment, together with any costs, expenses, fees or charges relating thereto, including employing counsel and paying reasonable fees of counsel. Borrower agrees to notify Lender immediately upon receipt by Borrower of notice of any increase in the assessed value of the Property and agrees that at its option, Lender, in the name of Borrower, may contest by appropriate proceedings such increase in assessment and may appear in and prosecute or defend any action or proceeding that may affect the priority of this Mortgage or the security of Lender hereunder; and Borrower will pay all costs, expenses (including costs of searching title) and attorneys' fees incurred in such action or proceeding at Borrower's sole cost and expense. All amounts, paid, suffered or incurred by Lender in exercising the authority herein granted, shall be secured hereby, shall be a lien on the Property, shall be due and payable by Borrower to Lender without demand and shall bear interest at the Default Rate set forth in the Promissory Note from the date incurred, suffered or advanced, until paid.

In the event of the passage of any law imposing a tax on this Mortgage or the interest payable under the Promissory Note, the holder of this Mortgage and of the obligations which it secures shall have the right to declare all sums secured hereby as due as of a date to be specified by not less than thirty (30) days' written notice to be given to Borrower by Lender; provided, however, that such election shall be

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ineffective if Borrower is permitted by law to pay the whole of such tax in addition to all other payments required hereunder and if, prior to such specified date, Borrower does pay such tax and agrees to pay any such tax when thereafter levied or assessed against the Property.

- (d) Notwithstanding the foregoing, Borrower shall, together with, and in addition to the monthly payment of principal and/or interest, and on the same date on which the principal and/or interest is payable under the terms of the Promissory Note secured hereby, deposit with Lender, to be held in an account (without interest for the benefit of Borrower), a sum equal to one-twelfth (1/12) of the yearly taxes and assessments which may be levied against the Property, ground rents, if any, plus one-twelfth (1/12) of the yearly premiums for insurance required to be maintained by Borrower under the terms hereof or as may otherwise reasonably be required by Lender. If the amount of funds held shall exceed, at any time, the amount deemed necessary by Lender to provide for the payment of taxes, assessments, ground rents and insurance premiums as they fall due, such excess shall be repaid to Borrower or credited to Borrower, as Lender may determine.

Lender may in its sole discretion require Borrower to pay an additional one-sixth of one such monthly escrow payment each month to ensure there are sufficient funds in escrow to pay any increase in taxes or insurance premiums. In the event the escrow does not contain funds sufficient to pay when due tax assessments or insurance premiums, Lender shall have the right to require Borrower to immediately pay an amount sufficient to pay all pending taxes and insurance premiums. If the amount of funds held shall not be sufficient at any time to pay taxes, assessments, ground rents and insurance premiums as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency promptly upon notice from Lender to Borrower requesting payment thereof. Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to the Borrower any funds held. All amounts paid under this paragraph are hereby assigned to Lender as additional security for the indebtedness secured hereby; and in the event of a default in the payment of any money or the performance of any covenant or obligation herein contained or secured hereby, then any deposits made by the Borrower under this paragraph may, at the option of Lender, be applied to the payment of principal, interest and/or other sums due hereunder or under the Promissory Note or any of the other Security Documents in lieu of being applied to any of the purposes in this paragraph previously stated. Upon any assignment of this Mortgage by Lender, any funds on hand shall be turned over to the assignee and any responsibility of the assignor with respect thereto shall terminate. Any interest earned on such funds shall be for the sole benefit of Lender. Lender shall not be a trustee of funds in said account and may commingle such funds with its general assets without any obligation to pay interest thereon or account for any earnings, income or interest on such funds.

5. Sums Advanced to Bear Interest:

Borrower agrees to pay immediately upon demand any sums advanced or paid by Lender under any clause or provision of this Mortgage. Any such sums, until so repaid, shall be secured hereby, shall bear interest from the date advanced or paid at the Default Rate as provided for in the Promissory Note and shall be secured by this Mortgage.

6. Assignment of Deposits:

That as further additional security, Borrower hereby transfers and assigns to Lender during continuance of these trusts, all right, title and interest to any and all monies deposited by

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Borrower or deposited on behalf of Borrower with any city, county, public body or agency, sanitary district, gas and/or electric company, telephone company and any other body or agency for the installation or to secure the installation of any utility by Borrower, pertaining to the Property.

7. Default Provisions:

Time is of the essence hereof. Upon the occurrence of any one of the following which is not cured within any applicable grace period (hereinafter an "Event of Default" or "Default"), the payment of all principal, interest and any other sums due in accordance with the terms of the Promissory Note or the Security Documents shall, at the option of the Lender, be accelerated and such principal, interest and other sums shall immediately be due and payable without notice or demand; and the Lender shall have the option to foreclose any and all liens securing the payment thereof; and Lender may pursue any or all of the rights and remedies provided for in the Promissory Note, this Mortgage, or any one or more of the Security Documents, or otherwise available at law or in equity under the laws of the State of Illinois:

- (a) The Borrower fails to pay (i) any regular monthly installment of principal or interest due under the Promissory Note by the tenth day of the month following the date said amount is due or by the next succeeding business day if the 10th is on a non-business day, (ii) the final installment due under the Promissory Note by the Maturity Date or by the next succeeding business day if the Maturity Date is on a non-business day, or (iii) any other sum due or otherwise advanced pursuant to any Security Document within ten (10) days of written notice thereof from Lender; or
- (b) The Borrower fails to perform any of the terms, covenants or conditions in the Promissory Note, this Mortgage or any of the Security Documents provided that Lender shall provide notice of any such default and Borrower shall have Thirty (30) days in which to cure said non-monetary default before Lender further exercises its rights and remedies hereunder; provided however if such non-monetary default cannot reasonably be cured within such thirty (30) day period and Borrower has commenced the cure of such default within the thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, then such thirty (30) day period shall be extended for so long as it shall reasonably require Borrower, 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 after the notice from Lender as described above; or
- (c) The Borrower materially breaches any warranties, representations or certifications made by Borrower to Lender; or
- (d) The Borrower or any Guarantor of the indebtedness represented by the Promissory Note ("Guarantor") shall:
 - (i) Have an order for relief entered with respect to it under any law relating to bankruptcy, insolvency, reorganization or relief of debtors ("Bankruptcy Law");
 - (ii) Not pay, or admit in writing its inability to pay its debts generally as they become due;
 - (iii) Make an assignment for the benefit of its creditors;

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- (iv) Apply for, seek, consent to or acquiesce in the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it, or any substantial part of its property;
- (v) Institute any proceedings seeking an order for relief under any Bankruptcy Law, seeking to adjudicate it a bankrupt or insolvent, seeking a dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it, or its debts, under any Bankruptcy Law, or failing to file an answer or other pleading denying the material allegations of any such proceeding filed against it (or if any creditor of Borrower shall do any of the foregoing);
- (vi) Take any action to authorize or effect any of the foregoing actions set forth in this Paragraph (d); or
- (vii) Fail to contest, in good faith, any appointment or proceeding described in Paragraph (e) below; or
- (e) Without the application, approval or consent of the Borrower, a receiver, custodian, trustee, examiner, liquidator or similar official shall be appointed for the Borrower, or any Guarantor, or any substantial part of the property of either, or proceeding described in Paragraph (d)(v) shall be instituted against the Borrower, or any Guarantor, and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of sixty (60) consecutive days; or
- (f) If a final order, judgment or decree shall be entered against the Borrower, or any Guarantor, by a court of competent jurisdiction which, together with other outstanding orders, judgments and decrees against the Borrower, or any Guarantor, exceeds an aggregate of \$100,000.00 (exclusive of amounts insured against by adequate liability insurance policy), and shall continue in effect for any period of ninety (90) consecutive days without a stay of execution; or
- (g) Should it be discovered after the execution and delivery of this instrument that there is a defect in the title to, or a lien or encumbrance of any nature, on the Property or the Personal Property described in the Security Documents prior to the lien of the Lender under this Mortgage or the Security Documents, and not disclosed in the policy of title insurance issued to the Lender insuring the priority of the Mortgage covering the Property, unless such defect is cured within ninety (90) days after written notice of such defect from the Lender to the Borrower; or
- (h) If any prior lien, encumbrance or homestead claim is determined to exist against the Property adverse to the priority of the lien given to the Lender hereof in this Mortgage and not disclosed in the policy of title insurance issued to the Lender insuring the priority of this Mortgage, unless the Borrower shall, within ninety (90) days after demand by the Lender, satisfy or otherwise secure the release of such prior lien, encumbrance or homestead claim; or
- (i) Should the Borrower, or any successor in interest of the Borrower, voluntarily or involuntarily, sell, exchange, convey, transfer, contract to sell, lease with option to purchase, change the character or use of, or further encumber the Property or any other collateral covered by the Security Documents, or any part thereof, or any interest therein, except as therein permitted, without the prior written consent of the Lender of this Mortgage in each such instance first had and obtained; or

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- (j) Should the Borrower be divested of title to the Property described in this Mortgage, or any part thereof, or any interest therein, either voluntarily or involuntarily, as a result of any condemnation proceedings, except where the proceeds of such proceedings are paid to the Lender; or
 - (k) If legal action or other proceedings are instituted to enforce or foreclose any subordinate mortgage, deed of trust, or security interest or other lien or encumbrance of any kind upon the Property or any portion thereof, or
 - (l) Any Event of Default occurs under that certain Real Estate Mortgage, Security Agreement, Assignment of Rents and Financing Statement dated January 16, 2018 executed and delivered by North Broadway to and in favor of Lender, which mortgage was recorded January 22, 2018 as Document No. 1802249081 in the Cook County Recorder of Deeds Office ("Broadway Mortgage") securing the real property and improvements more specifically described therein (collectively the "Broadway Property"). For purposes of this subpart (l) only, the capitalized terms in this subpart that are not otherwise defined shall have the meaning ascribed to them in the Broadway Mortgage.
8. Restriction On Transfer and Additional Financing:
- (a) The financial stability, managerial and operational ability, creditworthiness and business reputation of Borrower and of those persons having a direct or beneficial interest in Borrower, as well as the equity of Borrower in the Property and the projected cash flow from the Property to pay operating costs and debt service are a substantial and material consideration to Lender in its agreement to make the loan to Borrower which is evidenced by the Promissory Note and secured by this Mortgage. Therefore, in order to induce Lender to make the loan, Borrower agrees that without the prior written consent of Lender, which consent may be withheld for any or no reason, Borrower shall not:
 - (i) Voluntarily or involuntarily sell, exchange, convey, transfer or lease with option to purchase (collectively a "Transfer") all or any part of or interest in the Property or any other collateral covered by the Security Documents; or
 - (ii) Voluntarily or involuntarily further encumber the Property by any mortgage, deed of trust, assignment of rents or security interest, or otherwise subject all or any part of the Property to any lien or charge contractual, statutory, by operation of law or otherwise (collectively an "Encumbrance"); or
 - (iii) If Borrower or any successor or assign of Borrower is a corporation, Transfer fifty percent (50%) or more of the issued and outstanding shares of any class of shares of Borrower or issue new shares equal to fifty percent (50%) or more of the issued and outstanding shares of any class of shares of Borrower; or
 - (iv) If Borrower or any successor or assign of Borrower is a general or limited partnership or a joint venture, make any Transfer of any general partnership interest or joint venture interest of Borrower; or
 - (v) If Borrower or any successor or assign of Borrower is a limited liability company, make any Transfer of a majority of the membership interests to a non-member; or

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- (vi) Transfer or change the management of the Property to any person or entity other than Borrower; or
- (vii) Permit a Transfer of any or all of Guarantor's ownership interest in Borrower, if any; or
- (viii) Permit the Transfer of the controlling interest of Borrower.

Should Borrower receive knowledge, either actual or constructive, of any Transfer of or Encumbrance on the title to the Property, or any part thereof, or of any contract providing for any such Transfer or Encumbrance, Borrower shall immediately, upon obtaining such knowledge, notify Lender.

- (b) In the event that Borrower or any successor in interest of Borrower shall breach the covenants contained in Paragraph 8(a), all indebtedness secured by this Mortgage, irrespective of the maturity date thereof, shall, at the sole option of the Lender, become immediately due and payable without demand or notice.
- (c) Notwithstanding the foregoing, Borrower may transfer the Property subject to the Promissory Note and this Mortgage provided there is a simultaneous transfer by North Broadway of the Broadway Property and the corresponding unqualified assumption by the same transferee of the entire indebtedness secured by this Mortgage and the Broadway Mortgage as evidenced by the Promissory Note as well as the unqualified assumption by said transferee of all the other duties and obligations set forth in the Security Documents and in all the other documents executed by Borrower and by North Broadway in connection with the closing of the Loan (for purposes of this provision, all such documents including without limitation the Promissory Note shall be collectively defined as the "Assumed Loan Documents"), and such proposed transfer subject to the Assumed Documents otherwise satisfies the following conditions (as determined by Lender in its sole discretion) (collectively the "Assumption Conditions"):
 - (i) Borrower shall provide Lender at least thirty (30) days prior written notice of the sale or transfer;
 - (ii) Borrower shall provide all information requested by Lender concerning the terms of the sale and the buyer. The proposed buyer must be acceptable to Lender in its sole discretion;
 - (iii) The proposed buyer must assume all of Borrower's obligations and liabilities under the Assumed Loan Documents first arising on or after the date of the proposed transfer;
 - (iv) The proposed buyer must provide one or more replacement guarantor(s) acceptable to Lender, in its sole discretion;
 - (v) After the sale, there shall be no monetary encumbrance on the Property other than the lien of Lender;
 - (vi) The unpaid principal of the Loan at time of such sale shall not exceed seventy-five percent (75%) of the collective sale price of the Property and the Broadway Property;
 - (vii) Borrower shall pay to Lender or its designee an assumption fee equal to one percent (1%) of the unpaid principal of the Promissory Note at the time

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Lender's approval is requested. Said fee shall be refunded to Borrower if approval is denied; and

(viii) All costs shall be paid by Borrower.

No such consent shall be considered by the Lender unless the appropriate fee is paid in advance; and no such consent shall be given unless the Borrower agrees, inter alia, immediately upon closing of the subject sale or transfer, to provide Lender with a copy of the deed or other instrument conveying title to the Property, and with an assumption agreement from the transferee in form prepared by or otherwise satisfactory to the Lender and its legal counsel.

In addition to the foregoing, Borrower may transfer the Property subject to the Lincoln Note, this Mortgage and the balance of the Assumed Lincoln Documents (defined below) but free and clear of and from the cross default and cross collateralization obligation between the Lincoln Note and the Property and the Broadway Note and the Broadway Property provided there is an unqualified assumption by the proposed transferee of the indebtedness secured by this Mortgage following such cross-obligation release as well as the unqualified assumption by said transferee of all the other duties and obligations set forth in the Security Documents and in all the other documents executed by Borrower in connection with the closing of that portion of the Loan evidenced by the Lincoln Note (for purposes of this provision, all such documents including without limitation the Lincoln Note and the Lincoln Mortgage shall be collectively defined as the "Assumed Lincoln Documents"), and such proposed transfer subject to the Assumed Lincoln Documents otherwise satisfies all of the above Assumption Conditions except that for item (vi) the unpaid principal balance of the Lincoln Note may not exceed seventy-five percent (75%) of the sale price of Property and the assumption fee described in item (vii) shall be one percent (1%) of the unpaid principal balance of the Lincoln Note and in addition and Borrower and North Broadway shall make the following payments:

The Borrower and North Broadway shall each pay to Lender (w) an amount equal to ten percent (10%) of the then-outstanding principal balance of the Lincoln Note and the Broadway Note plus (x) a prepayment premium based upon each respective 10% prepayment amount calculated as provided in the corresponding promissory note plus (y) all accrued and unpaid interest then due under the Lincoln Note and the Broadway Note plus (z) all other sums then due and payable under the two (2) promissory notes and the respective security documents. The foregoing amounts shall be included in a Lender prepared letter delivered to both Borrower and North Broadway. Lender shall apply each 10% prepayment amount made by the Borrower and North Broadway to pay down the Lincoln Note and the Broadway Note, respectively.

No such consent to the transfer of the Property subject to the Assumed Lincoln Documents shall be considered by the Lender unless the appropriate fee is paid in advance; and no such consent shall be given unless the Borrower agrees, inter alia, immediately upon closing of the subject sale or transfer, to provide Lender with a copy of the deed or other instrument conveying title to the Property, and with an assumption agreement from the transferee in form prepared by or otherwise satisfactory to the Lender and its legal counsel. Upon giving its consent, Lender shall provide modifications to this Mortgage and the Broadway Mortgage as well as the Lincoln Note and the Broadway Note giving effect to the release of the cross default and cross collateralization obligations between these two (2) transactions.

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- (d) If Lender consents to any Transfer or Encumbrance referred to in Paragraph 8(a), Borrower shall pay to Lender all costs, attorneys' fees and other expenses incurred by Lender in reviewing, negotiating, preparing and recording documents in connection with any such Transfer or Encumbrance. Consent to any one such Transfer or Encumbrance shall not be deemed to be a waiver of the right to require consent to future or successive Transfers or Encumbrances. If consent should be given, any such Transfer or Encumbrance shall be subject to this Mortgage. If approved by Lender, such Transfer or Encumbrance shall not, however, release Borrower or any Guarantor, for liability under the Promissory Note, this Mortgage or any other of the Security Documents. This covenant shall run with the Property and shall remain in full force and effect until the indebtedness secured hereby is satisfied in full; and Lender may, without notice to Borrower, deal with such transferees with reference to the indebtedness or other obligations secured hereby in the same manner as with Borrower, without in any way altering or discharging Borrower's liability hereunder or the indebtedness secured hereby or the liability of any Guarantor with respect thereto.
- (e) Notwithstanding the foregoing, sale or transfer of the Property or of any interest in the Borrower to immediate family members or a family trust for estate planning purposes shall not be considered a Transfer for purposes of this paragraph, provided Borrower notifies Lender and provides all documentation reasonably required by Lender to properly document said transfer. For each such transfer, Borrower shall pay a processing fee in the amount of \$1,500.00.
- (f) Release of Cross Collateralization. Provided that each of the following conditions has been satisfied to Lender's sole satisfaction, Borrower shall have the right to cause the full and complete satisfaction and release of both this Mortgage and the separate Assignment of Rents and Leases encumbering the Property without the payment in full of the Broadway Note:
- (i) Borrower shall provide Lender not less than thirty (30) days prior written notice of the proposed sale and transfer of the Property (the "Release Notice"). The Property must be under contract for sale on an arms-length basis to a third party purchaser.
 - (ii) On or before the date of the requested satisfaction and release of the Mortgage, the Borrower and/or North Broadway shall pay to Lender the sum of (1) all amounts then due under the Lincoln Note as of the date of the release, including without limitation the outstanding principal balance of the Lincoln Note, all accrued and unpaid interest thereunder and a prepayment premium calculated in accordance with the terms of the Lincoln Note, plus (2) 10% of the then-outstanding principal balance of the Broadway Note, plus (3) a prepayment premium set forth in the Broadway Note calculated based on the 10% prepayment amount described in the immediately preceding clause, plus (4) all accrued and unpaid interest payable under the Broadway Note with respect to the amounts described in the immediately preceding clause, plus (5) all other sums then due and payable under the Lincoln Note and the Security Documents. The foregoing due and owing amounts shall be included in a Lender prepared pay-off letter delivered to both Borrower and North Broadway. The amount of money attributed to the preceding clause (2) shall be used by Lender to pay down the outstanding principal balance of the Broadway Note.

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- (iii) Based upon information and documentation promptly provided by Borrower in response to Lender's request(s) therefor, Lender determines, in its sole discretion, that immediately following both the proposed satisfaction and release of this Mortgage and the foregoing 10% paydown of the Broadway Note the Broadway Property will generate a net operating income from third party tenants sufficient to provide a debt service ratio of not less than 1.50x AND the loan-to-value ratio following the application of the above-described prepayment shall be no greater than sixty-five percent (65%) (collectively the "Underwriting Requirements").
- (iv) In the event Lender determines the Broadway Property does not satisfy both of the Underwriting Requirements, Borrower and/or North Broadway shall have the right to make an additional partial pre-payment of the Broadway Note in an amount (as determined by Lender in its sole discretion) that is minimally necessary for Borrower to satisfy the Underwriting Requirements; provided, however that along with such additional partial pre-payment Borrower and/or North Broadway shall be required to pay a prepayment premium as provided in the Broadway Note based upon the amount of the additional prepayment as determined by Lender plus all accrued and unpaid interest payable under the Broadway Note with respect to such additional partial prepayment amount.
- (v) No Event of Default shall exist under this Mortgage, the Promissory Note, the Broadway Mortgage or any of the Security Documents securing the Promissory Note on either the date the Release Notice is delivered or on the date of the satisfaction and release of this Mortgage.
- (vi) On or before the proposed date of release, Borrower shall have paid to Lender a nonrefundable fee of \$1,500.00, whether or not a satisfaction and release of this Mortgage is approved by Lender or the underlying Property transfer closes.

Without regard to whether a proposed Mortgage satisfaction and release is approved by Lender or is actually consummated, Borrower shall pay Lender within ten (10) days of written request therefor all out-of-pocket costs and expenses incurred by Lender in connection with any such proposed release, including, but not limited to, reasonable attorneys' fees.

In the event all of the foregoing obligations and requirements are satisfied, Borrower shall, at Lender's sole cost and expense, prepare and record or deliver to Lender for recording a satisfaction and release of the Mortgage and the separate Assignment of Rents and Leases. Such satisfaction and release shall be effective upon the sale of the Property to the third party purchaser. Additionally, Lender shall re-amortize the monthly installment payments due under the Broadway Note over the remaining term of said note and shall promptly provide North Broadway with written notice of the new regular monthly installment amount that shall be in effect for the duration of the Broadway Note following the satisfaction and release of the Mortgage.

9. Mechanics' and Materialmen's Liens:

It is understood and agreed that the lien of this Mortgage shall have priority at all times over any and all construction, furnishers', mechanics' and materialmen's liens. It is stipulated and agreed that no contract for labor or materials will be let by Borrower except

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with the express stipulation that the mechanics' and materialmen's liens therefor shall at all times be subordinate to the lien of this Mortgage.

10. Compliance With Laws, Etc.:

Borrower, their lessees or assigns, shall occupy and use the Property in accordance with all federal, state or local laws, statutes, ordinances, regulations or the like, including, but not limited to, the Americans with Disabilities Act of 1990, zoning and use laws, toxic waste laws and landlord-tenant statutes.

11. Litigation:

Borrower shall defend this Mortgage in any action or proceeding purporting to affect the Property, whether or not it affects the Property hereof, or purporting to affect the rights or powers of Lender, and shall file and prosecute all necessary claims and actions to prevent or recover for any damage to or destruction of the Property; and Lender is hereby authorized, without obligation so to do, to commence, appear in or defend any such action, whether brought by or against Borrower or Lender, or with or without suit, to exercise or enforce any other right, remedy or power available or conferred hereunder, whether or not judgment be entered in any action or proceeding; and Borrower or Lender may appear to intervene in any action or proceeding, and retain counsel therein, and take such action therein, as either may be advised and may settle, compromise or pay the same or any other claims and, in the behalf and for any of said purposes, may expend and advance such sums of money as either may deem necessary. Whether or not Lender so appears or defends, Borrower on demand shall pay all costs and expenses of Lender, including costs of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Lender may appear by virtue of being made a party defendant or otherwise and irrespective of whether the interest of Lender in the Property is directly questioned by such action, including but not limited to partition, condemnation, reorganization, bankruptcy (whether Chapters 7, 11 or 13, or any other similar or successor statutes), probate and administrative proceedings, as well as any other proceeding where proof of claim is required to be filed or in which it becomes necessary to defend or uphold the terms of this Mortgage.

12. Condemnation:

In the event the Property or any part thereof is taken or damaged under the power of eminent domain, by condemnation or by sale in lieu thereof, the damages awarded, the proceeds for the taking of, the rights of action and the consideration for such acquisition, to the extent of the full amount of the remaining unpaid indebtedness secured hereunder, will be assigned to Lender and after deducting any expenses of Lender, including attorneys' fees, will be applied on account of the last maturing installments of such indebtedness. Lender may, at its option, commence, appear in and prosecute, in its own name, any action or proceeding, or make any compromise or settlement, in connection with such condemnation, taking under the power of eminent domain or sale in lieu thereof. Borrower agrees to execute such further assignments of any compensation, award, damages, right of action and proceeds, as Lender may require.

Notwithstanding the preceding, in the case of a partial condemnation, which does not constitute a Major Damage (as defined in Paragraph 3 above) proceeds from such condemnation will be made available for repair and restoration of the Property provided:

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- (a) Such condemnation occurs at least one (1) year prior to the Maturity Date of the Promissory Note;
- (b) The Borrower provides a certificate (with appropriate supporting documentation from a contractor acceptable to Lender) that such repair and restoration can be completed within one (1) year;
- (c) There is no existing Event of Default;
- (d) The Property has the same income producing potential as before the condemnation; and
- (e) The amount of proceeds together with additional funds deposited by Borrower into an escrow account established by the parties is sufficient to repair the Property.

If Lender agrees or is required hereunder to apply all or any portion of condemnation proceeds to repair or restore Improvements, disbursement of such proceeds shall be made in the manner described in sub-paragraph 3(e) hereof. In the event Lender should apply all or any portion of the condemnation proceeds to the indebtedness secured by this Mortgage, such application shall not be deemed a voluntary prepayment for purposes of the prepayment fee and prepayment premium set forth in the Promissory Note.

During the time period that Tenant is a tenant in occupancy at the Property pursuant to the Lease, Lender agrees to accept and be bound by the condemnation proceed allocation provisions contained in the Lease in lieu of the foregoing condemnation proceed provision. However, should Tenant vacate the Property, the foregoing condemnation proceed provision shall immediately apply to those condemnations and related eminent domain proceedings impacting the Property. Such condemnation provision shall continue notwithstanding any subsequent re-letting by Borrower of the Property.

13. Discharge and Release:

Upon written request of Borrower, and if all sums secured hereby have been paid, Lender shall discharge and release this Mortgage and Assignment of Rents. The recitals in such discharge of any matters of fact shall be conclusive proof of the truthfulness thereof.

14. Right to Collect and Receive Rents and Profits:

Borrower absolutely and irrevocably assigns to Lender the Rents and Profits of the Property, together with the immediate and continuing right to collect and receive the same, for the purposes and upon the terms set forth in this Mortgage, provided that the foregoing assignment shall not impose upon Lender any duty to produce rents from the Property and said assignment shall not cause Lender to be a "mortgagee in possession" for any purpose. The assignment of Rents and Profits and Leases from Borrower to Lender provided for above is absolute and irrevocable; however, notwithstanding any other provisions hereof, Lender hereby grants permission to Borrower to collect and retain the Rents and Profits of the Property as they become due and payable until an Event of Default shall occur under the Promissory Note, under this Mortgage or under any Security Document. Upon any such Event of Default, Lender may at any time without notice, either in person, by agent or by receiver to be appointed by the court, and without regard to the adequacy of any security for the indebtedness secured hereby, enter upon and take possession of the Property, or any part thereof, make, cancel, enforce or modify Leases; obtain and evict tenants, set or modify rents; in its own name sue or otherwise collect the Rents and Profits thereof, including those past due and unpaid; apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any

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indebtedness secured hereby and in such order as Lender may determine; and except for such application, Lender shall not be liable to any person for the collection or non-collection of any Rents and Profits, for the failure to assert or enforce any of the foregoing rights, nor shall Lender be charged with any of the duties and obligations of a mortgagee in possession. The entering upon and taking possession of the Property, the collection of such Rents and Profits, the doing of other acts herein authorized, and the application thereof as aforesaid, shall not cure or waive any Event of Default or notice of default hereunder or invalidate any act done pursuant to such notice. The assignment of Rents and Profits described in this Paragraph 14 shall be deemed perfected, absolute and choate, upon the recording of this Mortgage. In the event of any conflict between the terms of this Paragraph 14 and the terms of any separate assignment of rents and leases, the terms providing Lender with the most extensive or expansive rights and remedies shall control.

15. Remedies on Default:

Without limiting other rights granted to Lender under this Mortgage, upon the occurrence of an event of default under this Mortgage, Lender may, at its option, (i) declare the entire indebtedness secured by this Mortgage to be immediately due and payable without notice, demand or presentment (each of which is hereby expressly waived by Borrower) whereupon the same shall become immediately due and payable, (ii) institute proceedings for the complete foreclosure of this Mortgage, (iii) institute proceedings to collect any delinquent installment or installments of the indebtedness secured by this Mortgage without accelerating the due date of the entire indebtedness by proceeding with foreclosure of this Mortgage with respect to any delinquent installment or installments of such indebtedness only and any sale of the Property under such a foreclosure proceeding shall be subject to and shall not affect the unmatured part of the indebtedness and this Mortgage shall be and continue as a lien on the Property securing the unmatured indebtedness, (iv) institute proceedings in equity or at law for the specific performance of any covenant, agreement or condition in this Mortgage or in aid of the execution of any power granted in this Mortgage or (v) take such other action as may be permitted under the laws of the state in which the Property are located.

16. Appointment of Receiver:

Upon or at any time after the filing of any complaint to foreclose this Mortgage, the court in which such foreclosure is filed may, upon application by Lender, appoint a receiver of the Property (which may be Lender) and Borrower hereby consents to such appointment. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency, at the time of the application for such receiver, of any party liable for the payment of the indebtedness secured by this Mortgage, without regard to the then value of the Property or whether the Property are then occupied as a homestead or not and without the posting of any bond being required of the applicant. Such receiver shall have the power to take possession of and to operate, manage and control the Property, to collect and receive all rents, issues and profits from the Property during the pendency of such foreclosure suit and, in the case of a sale and a deficiency, during the full statutory period of redemption, if any, as well as during any further times when Borrower, its successors or assigns, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits and to exercise all other powers which may be necessary or desirable for the protection, possession, operation, management and control of the Property during the whole of the aforesaid period. To the extent permitted by law, such receiver may be authorized by the court to (i) cancel or terminate any tenancy, lease or sublease for any cause or reason which would entitle Borrower to cancel such tenancy, lease or sublease, (ii) elect to disaffirm any tenancy, lease or sublease made subsequent to this Mortgage or subordinated to the lien of this Mortgage

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and (iii) extend or modify any then existing leases and tenancies and to make new leases, which extensions, modifications and new leases may provide for terms or options for terms to expire beyond the maturity date of the indebtedness secured by this Mortgage, it being understood and agreed that any such leases and the options and other provisions contained therein shall be binding upon Borrower, upon all persons whose interests in the Property are subject to the lien of this Mortgage and upon any purchaser or purchasers at any foreclosure sale notwithstanding any redemption from sale, discharge of the indebtedness secured by this Mortgage, satisfaction of any foreclosure decree or issuance of any certificate of sale or deed to any purchaser or purchasers at any foreclosure sale.

17. Sale of the Property:

To the extent permitted by law all or any portion of the Property or any interest or estate therein to be sold pursuant to any judgment or decree of foreclosure obtained pursuant to this Mortgage shall be sold as a single parcel or as multiple parcels in such manner or order as Lender, in its sole discretion, may elect. At any foreclosure sale of all or any portion of the Property, Lender may bid for and acquire, as purchaser, the Property or any portion thereof being sold and, in lieu of paying cash therefor, may credit against the indebtedness secured by this Mortgage and the amount set forth in the judgment or deed of foreclosure, the amount bid by Lender at such foreclosure sale.

18. Application of Foreclosure Proceedings:

The proceeds from any foreclosure sale of all or any portion of the Property shall be distributed and applied in the following order of priority: (i) on account of all costs and expenses incident to any such foreclosure proceedings, (ii) on account of all items (other than principal and interest remaining unpaid under the Promissory Note) which, under the terms of this Mortgage, constitute indebtedness secured by this Mortgage, together with interest thereon (unless otherwise included in the indebtedness) at the rate applicable under the Promissory Note after an Event of Default thereunder, (iii) on account of all principal and interest remaining unpaid under the Promissory Note and (iv) the excess, if any, to Borrower, its successors and assigns, as their rights may appear.

19. Application of Deposits:

Lender shall have the right, but not the obligation, upon the occurrence of an event of default, to apply any deposit held by Lender or by any depository pursuant to any provisions of this Mortgage to the payment of any indebtedness secured by this Mortgage in such order and manner as Lender may elect.

20. Waiver of Statutory Rights:

Borrower agrees that it shall not apply for or avail itself of and hereby waives the benefit of, for itself and all who may claim through or under it, any appraisal, valuation, stay, moratorium, extension or exemption laws, whether existing on the date of this Mortgage or hereafter enacted, in any enforcement or foreclosure of this Mortgage. Borrower for itself and all who may claim through or under it, waives any and all right to have the Property or any portion thereof marshalled upon any foreclosure of this Mortgage and Borrower agrees that any court having jurisdiction to foreclose this Mortgage may order the Property sold as an entirety. Borrower does hereby waive any and all rights of redemption from sale under any judgment or decree of foreclosure of this Mortgage on behalf of itself and each and every person, except judgment creditors of the Borrower, acquiring any interest in or title to the Property subsequent to the date of this Mortgage.

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21. Partial Payments:

Acceptance by Lender of any payment which is less than payment in full of all amounts due and payable at the time such payment is made shall not constitute a waiver of Lender's right to declare the entire indebtedness secured by this Mortgage to be immediately due and payable without notice, demand or presentment or to exercise any other right or remedy of Lender under this Mortgage at that time or at any subsequent time nor shall such acceptance nullify any prior exercise by Lender of any right or remedy under this Mortgage without the express written consent of Lender.

22. Rescission of Acceleration:

Lender shall have the right to rescind any acceleration of the indebtedness secured by this Mortgage and the right to discharge or dismiss any proceedings brought to enforce any right or remedy of Lender under this Mortgage and, in the event Lender elects to exercise either of such rights, the obligations of Borrower and the rights and remedies of Lender shall continue as if such acceleration had not been made or such proceedings had not been commenced.

23. Security Agreement:

This Mortgage shall also constitute a Security Agreement, as that term is used in the Uniform Commercial Code (the "Code") of the state in which the Property are located, with respect to any portion of the Property which is now or hereafter deemed to be personal property, fixtures or property other than real estate and all replacements, additions and substitutions thereto (the "UCC Collateral"). All of Borrower's right, title interest in and to the UCC Collateral is hereby assigned to Lender to secure the payment of the indebtedness secured by and the performance of the obligations contained in this Mortgage. Lender shall have, in addition to the rights and remedies granted to Lender under this Mortgage, all of the rights and remedies of a secured party under the Code with respect to the UCC Collateral and Borrower hereby agrees that in the event Lender shall exercise any right or remedy under the Code following a default by Borrower under this Mortgage, whether to dispose of the Collateral or otherwise, five (5) days notice by Lender to Borrower shall be deemed to be reasonable notice under any provision of the Code requiring such notice. Borrower shall, immediately upon request by Lender, execute and deliver to Lender, in a form prescribed by Lender, any financing statement, continuation statement, certificate or other document covering all or any portion of the UCC Collateral designated by Lender that, in the opinion of Lender, may be required to perfect, continue, affirm or otherwise maintain the existence and priority of the security interest in the UCC Collateral created under this Mortgage. Borrower, if requested by Lender, shall also execute and delivery to Lender a Security Agreement covering the UCC Collateral and containing such covenants, conditions and agreements in addition or as a supplement to those contained in this Mortgage as may be requested by Lender.

24. Fixture Financing Statement:

This Mortgage is intended to be a financing statement within the purview of the Uniform Commercial Code with respect to those items of the Property as constitute fixtures on the Property. The address of Borrower (Debtor) and Lender (Secured Party) are set forth on the first page of this Mortgage. This Mortgage is to be filed for record in the real property records of Cook County, Illinois, where the Property is located. Borrower is the record owner of the Property. To the extent allowed by law, Borrower hereby authorizes the Mortgagee to file financing statements and continuation statements with respect to the Property in the appropriate filing offices, without the Borrower's signature.

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25. No Waiver by Lender:

No waiver by Lender of any right under this Mortgage shall be effective unless in writing. Waiver by Lender of any right granted to Lender under this Mortgage or of any provision of this Mortgage as to any transaction or occurrences shall not be deemed a waiver as to any future transaction or occurrences. By accepting payment of any sum secured hereby after its due date, or by making any payment or performing any act on behalf of Borrower that Borrower was obligated hereunder, but failed to make or perform, or by adding any payment so made by Lender to the indebtedness secured hereby, Lender does not waive its right to require prompt payment when due of all other sums so secured or to require prompt performance of all other acts required hereunder, or to declare a Default for failure so to pay.

26. Time of the Essence:

Time is of the essence in all of Borrower's obligations hereunder.

27. Inspection and Business Records:

Borrower agrees to provide Lender with an annual Property operating statement and current rent roll, each certified to Lender, within one hundred twenty (120) days of the end of each calendar year, setting forth all income, expenses and occupancy information relating to the Property. If in default, Lender shall have the further right to immediately require a then current operating statement and/or rent roll in a form satisfactory to Lender. All statements provided under this Paragraph 27 will be provided at Borrower's cost. In addition, Borrower shall provide Lender with such other and further records, reports or information as Lender shall reasonably request. Lender or its representatives may, upon reasonable notice to Borrower, make or cause to be made reasonable entries upon and inspections of the Property as Lender in its sole discretion may deem appropriate, and Borrower or its representatives shall be fully cooperative in allowing such inspections.

28. Remedies:

No remedy herein provided shall be exclusive of any other remedy herein or now or hereafter existing by law, but shall be cumulative. To the extent allowed by law, every power or remedy hereby given to Lender, or to which either of them may be otherwise entitled, may be exercised from time to time and as often as may be deemed expedient by them, and either of them may pursue inconsistent remedies. If Lender holds any additional security for any obligation secured hereby, it may enforce the sale thereof at its option, either before, contemporaneously with or after the sale is made hereunder; and on any Default of Borrower, Lender may, at its option, offset against any indebtedness secured hereby; and the Lender is hereby authorized and empowered at its option, without any obligation so to do, and without affecting the obligations hereof, to apply toward the payment of any indebtedness of the Borrower to the Lender any and all sums of money of Borrower which Lender may have in its possession or under its control, including without limiting the generality of the foregoing, any savings account, deposit, investment certificate, escrow or trust funds.

It is expressly understood that except as specifically provided below, there is no personal liability of the Borrower hereunder or under the Security Documents and no monetary or deficiency judgment shall be sought or enforced against the Borrower; provided, however, that a judgment may be sought against the Borrower only to the extent necessary to enforce the rights of the Lender or other lender hereof in, to or against the property securing the indebtedness evidenced by the Promissory Note and covered by the Security Documents and the sole and exclusive remedy of the Lender or other lender hereof for

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any default hereunder or under the aforesaid instruments shall be against such property except that there shall be personal liability in the following circumstances (the "Obligations"): (i) damages resulting from the misapplication of any rents or profits from such Property after the occurrence of an Event of Default, (ii) any damages, costs, or expenses incurred as a result of fraud, material misrepresentation or bad faith by Borrower, (iii) any liability arising under any agreed upon environmental indemnity from Borrower to Lender, (iv) damages resulting from any misappropriation or misapplication of insurance proceeds or condemnation awards, (v) damages resulting from the misapplication of any security deposits paid by tenants at the Property, (vi) amounts necessary to repair any damage caused by willful or wanton acts or omissions of Borrower, (vii) amounts necessary to pay delinquent real estate taxes and assessments, (viii) damages arising from Borrower's failure to procure and maintain insurance required by the Security Documents, and (ix) costs and expenses incurred in the enforcement of this clause.

29. Savings Clause:

If under any circumstances whatsoever, the interest payable to Lender by Borrower is at a rate in excess of that permitted under applicable law to be paid by Borrower, then, the interest payable to Lender shall be reduced to the maximum amount permitted under applicable law; and if under any circumstance Lender shall ever receive anything of value deemed interest by applicable law which would exceed interest at the highest lawful rate, an amount equal to any excessive interest shall be applied to the reduction of the principal amount owing under the Promissory Note and the obligations owing under this Mortgage and not to the payment of interest; or if such excessive interest exceeds the unpaid balance of principal of the Promissory Note and the obligations owing under this Mortgage, such excess shall be refunded to Borrower.

30. Waiver of Jury Trial:

BORROWER, BY EXECUTION OF THIS MORTGAGE, AND LENDER BY ACCEPTANCE OF THIS MORTGAGE, EACH HEREBY IRREVOCABLY WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS MORTGAGE, THE NOTE AND OTHER LOAN DOCUMENTS, OR THE TRANSACTIONS CONTEMPLATED THEREBY, ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTION OF ANY OF THE PARTIES. BORROWER ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO LENDER MAKING THE LOAN WHICH IS THE SUBJECT MATTER OF THIS TRANSACTION. BORROWER FURTHER ACKNOWLEDGES THAT THIS WAIVER HAS BEEN FREELY AND VOLUNTARILY MADE AFTER FULL OPPORTUNITY TO DISCUSS SAME WITH COUNSEL OF BORROWER'S CHOICE.

31. Illegality:

In the event that any provision or clause of this Mortgage conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage are declared to be severable. If the lien of this Mortgage is or becomes invalid or unenforceable, the amount secured hereby shall become immediately due and payable. Should this instrument be construed or adjudicated to be ineffective or unenforceable as a Mortgage, then this instrument shall be construed and enforced as a real estate mortgage, with Borrower as mortgagor and Lender as mortgagee.

32. General Provisions:

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- (a) This Mortgage applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns; however, nothing herein is intended to be a waiver by Lender of the provisions of Paragraph 8 hereof.
- (b) The term "Lender" shall mean the owner and holder (including a pledgee) of any note secured hereby, whether or not named as Lender herein.
- (c) Wherever the context so requires, the masculine gender includes the feminine and neuter, the singular number includes the plural, and vice versa.
- (d) Captions and paragraph headings used herein are for convenience only, are not a part of this Mortgage and shall not be used in construing it.
- (e) The term "Borrower" shall mean the original Borrower hereunder and any subsequent owner of the Property who acquires the same subject to this Mortgage with the consent of the Lender. If more than one person is now or hereafter named herein as Borrower, each obligation of Borrower shall be the joint and several obligation of each such person.
- (f) The rights or remedies granted hereunder, or by law, shall not be exclusive, but shall be concurrent and cumulative.

33. Representations:

The representations made by Borrower to Lender, through either itself or any other agent, shall survive the closing of the loan evidenced by the Promissory Note and secured by this Mortgage and by the recording of this Mortgage. Said representations were important to Lender in determining the ability of the Property to support the debt service of this Loan.

34. Address for Mailing Notices:

Borrower hereby requests that a copy of any notice of default and a copy of any notice of sale hereunder be mailed to Borrower at its address set forth above. All notices, demands, requests or other communications with respect to this Mortgage shall be in writing and shall be effective if personally delivered or mailed by certified mail following three (3) days deposit in the United States mail, postage prepaid, to Borrower or Lender, respectively, at the addresses set forth above. Any party may at any time change its address for notices by delivering or mailing to the other parties a notice of said change.

35. Law:

This Mortgage, the rights of the Lender hereunder and the Promissory Note secured hereby shall be construed and enforced according to the laws of the State of Illinois.

36. Entire Contract:

This contract together with all other Security Documents embodies the final, entire agreement among the parties hereto and supersedes any and all prior commitments, agreements, representations, and understandings, whether written or oral, relating to the subject matter hereof and may not be contradicted or varied by evidence of prior, contemporaneous or subsequent oral agreements or discussions of the parties hereto. There are no oral agreements among the parties hereto. The provisions of the Mortgage may be amended or waived only by an instrument in writing signed by the parties hereto.

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37. No Agricultural Use:

The Property is not used principally or primarily for agricultural or farming purposes.

38. Additional Representation:

Borrower hereby represents and warrants to Lender that:

(a) Borrower:

- (i) Is a limited liability company, validly existing and in good standing under the laws of the State of Illinois;
- (ii) Has the power and authority to own its properties and to carry on its business as now being conducted;
- (iii) Is qualified to do business in every jurisdiction in which the nature of its business or its properties makes such qualification necessary; and
- (iv) Is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to it.

(b) The execution, delivery and performance by Borrower of this Mortgage, the Promissory Note and all other Security Documents, and the borrowing evidenced by the Promissory Note:

- (i) Are within the powers of Borrower;
- (ii) Have been duly authorized by all requisite action;
- (iii) Have received all necessary governmental approval; and
- (iv) Will not violate any provision of law, any order of any court or other agency or government, or the Articles of Organization and Operating Agreement of Borrower.

(c) This Mortgage, the Promissory Note and all other Security Documents constitute the legal, valid and binding obligations of Borrower and other obligors named therein, if any, in accordance with their respective terms.

(d) Neither the execution and delivery of this Mortgage, the Promissory Note or other Security Documents, the consummation of the transactions contemplated hereby, or thereby, nor the fulfillment of or compliance with the terms and conditions of this Mortgage, the Promissory Note, or other Security Documents, conflicts with or results in a breach of any of the terms, conditions or provisions of any restrictions or any agreement or instrument to which Borrower is now a party or by which it is bound.

39. Hazardous Materials:

- a. **Definitions.** For the purpose of this Mortgage, Borrower and Lender agree that, unless the context otherwise specifies or requires, the following terms shall have the meaning herein specified:

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- (i) **Hazardous Materials:** Any substance on the Property, the presence of which is regulated by any Governmental Requirements (as hereinafter defined), including but not limited to: (i) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.), as amended from time to time, and regulations promulgated thereunder; (ii) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.) ("CERCLA" or "SuperFund"), as amended from time to time, and regulations promulgated thereunder; (iii) asbestos; (iv) polychlorinated biphenyls; (v) any petroleum-based products; and (vi) underground storage tanks, whether empty, filled or partially filled with any substance.
- (ii) **Governmental Requirements:** All laws, ordinances, statutes, codes, rules, regulations, orders and decrees of the United States, the state, the county, the city, or any other political subdivision in which the Property is located, and any other political subdivision, agency or instrumentality exercising jurisdiction over Borrower or the Property.
- (iii) **Hazardous Materials Contamination:** The contamination (whether presently existing or hereafter occurring) of the improvements, facilities, soil, groundwater, air or other elements on, over or under the Property by Hazardous Materials, or the contamination of the improvements, facilities, soil, ground-water, air or other elements on, over or under any other property as a result of Hazardous Materials at any time (whether before or after the date of this Mortgage) emanating from the Property.
- b. **Representations and Warranties.** Borrower hereby represents and warrants that, except as disclosed in the Phase I Environmental Site Assessment of the Property dated December 19, 2018, prepared by EBI Consulting:
- (i) No Hazardous Materials are located on the Property or have been released into the environment, or deposited, discharged, placed or disposed of at, on, under or near the Property, or transported to or from the Property. No portion of the Property is being used or has been used at any previous time, for the disposal, storage, treatment, processing, manufacturing or other handling of Hazardous Materials nor is any part of the Property affected by any Hazardous Materials Contamination.
- (ii) To the best of Borrower's knowledge (i) no Hazardous Materials are located on property adjoining the Property; (ii) no property adjoining the Property has ever been used at any previous time for the disposal, storage, treatment, processing, manufacturing or other handling of Hazardous Materials; and (iii) no property adjoining the Property is affected by Hazardous Materials Contamination.
- (iii) No asbestos or asbestos-containing materials have been installed, used, incorporated into, or disposed of on the Property.
- (iv) No polychlorinated biphenyls or materials containing polychlorinated biphenyls are located on or in the Property, in the form of electrical transformers, fluorescent light fixtures with ballasts, cooling oils, or any other device or form.

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- (v) No underground storage tanks are located on the Property or, to the best of Borrower's knowledge, were previously located on the Property and subsequently removed or filled.
- (vi) No investigation, administrative order, consent order, agreement, litigation or settlement with respect to Hazardous Materials or Hazardous Materials Contamination is proposed, threatened, anticipated or in existence with respect to the Property. The Property and its existing and prior uses comply and at all times have complied with any applicable Governmental Requirements relating to environmental matters or Hazardous Materials. There is no condition on the Property which is in violation of any applicable Governmental Requirements relating to Hazardous Materials, and Borrower has received no communication from or on behalf of any governmental authority that any such condition exists. The Property is not currently on, and to the best of Borrower's knowledge, has never been on, any federal, state or local "Superfund" or "Superlien" list.
- (vii) Except for studies, audits, and reports pertaining to the Property which have been made available to Lender, there have been no environmental investigations, studies, audits, tests, reviews or other analyses conducted by or which are in the possession of or available to Borrower in relation to the Property.
- (viii) All representations and warranties contained in this Paragraph 39 shall survive the consummation of the transactions contemplated by this Mortgage.
- c. **Covenants.** Borrower agrees: (a) that Borrower shall not receive, store, dispose or release any Hazardous Materials on or to the Property or transport any Hazardous Materials to or from the Property or permit the existence of any Hazardous Materials Contamination, or to the extent such Hazardous Materials are brought in, on, about or under the Property, that all operations or activities shall be in all material respects, in compliance with all State, Federal and local laws and regulations governing the generation, handling, treatment, storage, use, transportation, discharge and disposal of Hazardous Materials; (b) to give written notice to Lender immediately upon Borrower's acquiring knowledge of the presence of any Hazardous Materials on the Property or of the transport of any Hazardous Materials to or from the Property or of the existence of any Hazardous Materials Contamination, with a full description thereof; (c) promptly, at Borrower's sole cost and expense, to comply with any Governmental Requirements requiring the removal, treatment or disposal of such Hazardous Materials or Hazardous Materials Contamination and provide Lender with satisfactory evidence of such compliance; (d) to provide Lender, within thirty (30) days after demand by Lender, with financial assurance evidencing to Lender's satisfaction that the necessary funds are available to pay the cost of removing, treating and disposing of such Hazardous Materials or Hazardous Materials Contamination and discharging any assessments which may be established on the Property as a result thereof; and (e) to insure that all leases, licenses, and agreements of any kind now or hereafter executed which permit any party to occupy, possess, or use in any way the Property or any part thereof, whether written or oral, include an express prohibition on the disposal or discharge of any Hazardous Materials at or affecting the Property, and a provision that failure to comply with such prohibition shall expressly constitute a default under any such agreement.

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- d. **Liens.** Borrower shall not cause or suffer any liens to be recorded against the Property as a consequence of, or in any way related to, the presence, remediation or disposal of Hazardous Materials in or about the Property, including any so-called state, federal or local "Superfund" lien relating to such matters.
- e. **Site Assessments.** Lender (by its officers, employees and agents) at any time and from time to time, either prior to, in the event Lender has reasonable belief that environmental contamination has occurred, or after the occurrence of an Event of Default, may contract for the services of persons (the "Site Reviewers") to perform environmental site assessments ("Site Assessments") on the Property for the purpose of determining whether there exists on the Property any environmental condition which could result in any liability, cost or expense to the owner, occupier or operator of such Property arising under any Governmental Requirements relating to Hazardous Materials. The Site Assessments may be performed at any time or times, upon reasonable notice, and under reasonable conditions established by Borrower which do not impede the performance of the Site Assessment. The Site Reviewers are hereby authorized to enter upon the Property for such purposes. The Site Reviewers are further authorized to perform both above and below-ground testing for environmental damage or the presence of Hazardous Materials or Hazardous Materials Contamination on the Property and such other tests on the Property as may be necessary to conduct the Site Assessments in the reasonable opinion of the Site Reviewers. Borrower will supply to the Site Reviewers such historical and operational information regarding the Property as may be reasonably requested by the Site Reviewers to facilitate the Site Assessments and will make available for meetings with the Site Reviewers appropriate personnel having knowledge of such matters. On request, Lender shall make the results of such Site Assessments fully available to Borrower, which (prior to an Event of Default, may at its election participate under reasonable procedures in the direction of such Site Assessments and the description of tasks of the Site Reviewers. The cost of performing such Site Assessments shall be paid by Borrower upon demand of Lender and any such obligations shall be indebtedness secured by this Mortgage.
- f. **Indemnification.** Borrower shall at all times retain any and all liabilities arising from the presence, handling, treatment, storage, transportation, removal or disposal of Hazardous Materials on the Property. Regardless of whether any Site Assessments are conducted hereunder, and regardless of whether any Event of Default (as defined in Paragraph 7 of this Mortgage) shall have occurred and be continuing or any remedies in respect to the Property are exercised by Lender, Borrower shall defend, indemnify and hold harmless Lender from and against any and all liabilities (including strict liability), suits, actions, claims, demands, penalties, damages (including, without limitation, lost profits, consequential damages, interest, penalties, fines and monetary sanctions), losses, costs and expenses (including, without limitation, reasonable attorneys' fees and remedial costs) (the foregoing are hereinafter collectively referred to as "Liabilities") which may now or in the future (whether before or after the culmination of the transactions contemplated by this Mortgage) be incurred or suffered by Lender by reason of, resulting from, in connection with, or arising in any manner whatsoever out of the breach of any warranty or covenant or the inaccuracy of any representation of Borrower contained or referred to in this Paragraph 39 or in any loan agreement made and entered into between Borrower and Lender relating to the Property or which may be asserted as a direct or indirect result of the presence on or under, or escape, seepage, leakage, spillage, discharge, emission or release from the Property of any

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Hazardous Materials or any Hazardous Materials Contamination or arise out of or result from the environmental condition of the Property or the applicability of any Governmental Requirements relating to Hazardous Materials, regardless of whether or not caused by or within the control of Borrower or Lender.

Such Liabilities shall include, without limitation: (i) injury or death to any person; (ii) damage to or loss of the use of any property; (iii) the cost of any demolition and rebuilding of any improvements now or hereafter situated on the Property or elsewhere, and the cost of any repair or remediation of any such improvements; (iv) the cost of any activity required by any governmental authority; (v) any lawsuit brought or threatened, good faith settlement reached, or governmental order relating to the presence, disposal, release or threatened release of any Hazardous Materials, on, from or under the Property; and (vi) the imposition of any liens on the Property arising from the activity of Borrower or Borrower's predecessors in interest on the Property or from the existence of Hazardous Materials upon the Property or Hazardous Materials Contamination. The covenants, warranties, agreements and Indemnifications contained in this Paragraph 39 shall survive the consummation of the transactions contemplated by this Mortgage.

- g. **Right of Entry.** Lender shall have the right but not the obligation, without in any way limiting Lender's other rights and remedies under this Mortgage, to enter onto the Property or to take such other actions as it deems necessary or advisable to clean up, remove, resolve or minimize the impact of, or otherwise deal with, any Hazardous Materials or Hazardous Materials Contamination on or under the Property following receipt of any notice from any person or entity asserting the existence of any Hazardous Materials or Hazardous Materials Contamination pertaining to the Property, or any part thereof which, if true, could result in an order, notice, suit, imposition of a lien on the Property, or other action, and/or which, in Lender's sole opinion, could jeopardize Lender's security upon this Mortgage. All costs and expenses paid or incurred by Lender in the exercise of any such rights shall be indebtedness secured by this Mortgage and shall be payable by Borrower upon demand.

40. Discretionary Matters:

Borrower acknowledges and agrees that should any matter herein depend or be contingent upon the discretion, judgment or consent of the Lender, it is to be presumed that the Lender will take such actions and consider such elements in exercising said discretion, making such judgment, or granting or denying such consent as are required, based on Lender's good faith subjective judgment, to protect the security interest of Lender in the Property and to ensure repayment of the loan secured hereby.

41. Counterparts.

This Mortgage may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

[signature page follows]

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IN WITNESS WHEREOF, Borrower has executed this Mortgage on the date set forth below and is effective on the date first set forth above.

BORROWER:

4051 NORTH LINCOLN, LLC,
an Illinois limited liability company

By its Sole Manager:
Calvo Limited Partnership,
a Delaware limited partnership

By its sole General Partner:
Calvo, Inc., a Delaware corporation

By: *Paul Calvo*

Paul Calvo, President

STATE OF FLORIDA

COUNTY OF Collier

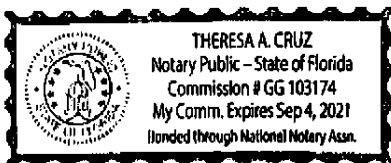
} ss.

The foregoing instrument was acknowledged before me this 1 day of February, 2018 by Paul Calvo, the President of Calvo, Inc., a Delaware corporation, the sole General Partner of Calvo Limited Partnership, a Delaware limited partnership, the sole manager of 6150 North Broadway, LLC, an Illinois limited liability company, on behalf of the company. He is personally known to me or has produced _____ as identification.

Theresa A. Cruz
(Signature of notarial officer)

(Seal)

My Commission Expires: 9-4-2021



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EXHIBIT A

Legal Description of Property

To Real Estate Mortgage, Security Agreement, Assignment of Rents and Financing Statement

That part of Block 12 in William B. Ogden's Subdivision of the Southwest quarter of Section 18, Township 40 North, Range 14 East of the Third Principal Meridian, described as follows:

Commencing at the point of intersection of the Westerly line of Robey Street (also known as Damen Avenue) with the South line of Belle Plaine Avenue; thence South 225 feet along the West line of said Robey Street (also known as Damen Avenue); thence West on a line perpendicular to the Westerly line of Robey Street and parallel to said Belle Plaine Avenue to the East line of Lincoln Avenue; thence North along the East line of Lincoln Avenue to the South line of Belle Plaine Avenue; thence East on said South line of Belle Plaine Avenue to the point of beginning, being the North 225 feet of said Block measured along the Westerly line of Robey Street from a point in its intersection with the South line of Belle Plaine Avenue, all in Cook County, Illinois.

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EXHIBIT B

Permitted Exceptions

To Real Estate Mortgage, Security Agreement, Assignment of Rents and Financing Statement

1. Taxes for the year(s) 2017 and 2018:

2017 and 2018 taxes are not yet due or payable.

2. The land lies within the boundaries of a special service area as disclosed by ordinance recorded as document 1235235058, and is subject to additional taxes under the terms of said ordinance and subsequent related ordinances.

None currently due and payable.

3. The land lies within the boundaries of a special service area as disclosed by ordinance recorded as document 1436433018, and is subject to additional taxes under the terms of said ordinance and subsequent related ordinances.

None currently due and payable.

4. Existing unrecorded leases and all rights thereunder of the lessees and of any person or party claiming by, through or under the lessees, as tenants only.

5. Party wall rights of the owners of the property south and adjoining the land, as established by agreement dated February 10, 1925 as disclosed by affidavit recorded/filed April 24, 1967 as document no. 20117976, and the terms, covenants, and provisions contained therein.

6. The survey dated January 10, 2018, created by Gremley & Biedermann as Order No. 2017-24800-001 shows the following:

- A) Encroachment of the brick building located on the property south and adjoining over and onto the Land by approximately 0.04 feet.
- B) Encroachment of the electric lights and curb located on the property south and adjoining over and onto the Land by an undisclosed amount.
- C) Encroachment of the brick and block building located on the Land over and onto the property east and adjoining by varying distances of approximately 0.22 and 0.30 feet.
- D) Encroachment of the canopies and electric lights located on the Land over and onto the properties west and adjoining and east and adjoining by distances shown on the above survey.
- E) Encroachment of the iron fence and electric lights located on the Land over and onto the property north and adjoining by distances shown on the above survey.

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EXHIBIT C

Personal Property Description

To Real Estate Mortgage, Security Agreement, Assignment of Rents and Financing Statement

- A. All fixtures and articles of property now or hereafter attached to, or used or adapted for use in the operation of, the real property located in Cook County, Illinois, and more particularly described as Exhibit A (the "Property") (whether such items are leased, owned absolutely or subject to any title retaining or security instrument, or otherwise used or possessed, but excluding those items owned by tenants in accordance with their leases), including, without limitation, all heating, cooling, air-conditioning, ventilating, refrigerating, plumbing, generating, power, lighting, laundry, maintenance, incinerating, lifting, cleaning, fire prevention and extinguishing, security and access control, cooking, gas, electric, and communication fixtures, equipment, and apparatus, all engines, motors, conduits, pipes, pumps, tanks, ducts, compressors, boilers, water heaters and furnaces, all ranges, stoves, disposers, refrigerators, and other appliances, all escalators and elevators, all cabinets, partitions, mantels, built-in mirrors, window shades, blinds, screens, awnings, storm doors, windows and sash, all carpeting, underpadding and draperies, all furnishings of public spaces, halls and lobbies and all shrubbery and plants.
- B. All present and future contracts and policies of insurance which insure the Property or any building, structures, or improvements thereon, or any such fixtures or personal property, against casualties and theft, and all proceeds and rights thereto which may be or become payable by virtue of any such insurance contracts or policies.
- C. All the rents, revenues, issues, profits and income of the Property, and all right, title, and interest of Borrower in and to all present and future leases and other agreements for the occupancy or use of all or any part of the Property, and all right, title and, interest of Borrower thereunder, including, without limitation, all cash or security deposits, advance rentals, and deposits or payments of similar nature, together with all guaranties of tenants' or occupants' performance thereunder.
- D. All general intangibles relating to the development or use of the Property, including, without limitation, all permits, licenses, and franchises, all names under or by which the Property may at any time be operated or known, and all rights to carry on business under any such names or any variant thereof, and all trademarks, trade names, logos, and good will in any way relating to the Property.
- E. All water stock relating to the Property, all shares of stock or other evidence of ownership of any part of the Property that is owned by Borrower in common with others, and all documents or membership in any owners' or members' association or similar group having responsibility for managing or operating any part of the Property.
- F. All products and proceeds of all of the foregoing.