

Illinois Anti-Predatory
Lending Database
Program

Doc#: 1822006051 Fee: \$104.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 08/08/2018 10:12 AM Pg: 1 of 29

Certificate of Exemption



Report Mortgage Fraud
844-768-1713

The property identified as: **PIN: 16-12-206-007-0000**

Address:

Street: 2543 West Superior Street

Street line 2:

City: Chicago

State: IL

ZIP Code: 60612

Lender: Customer's Bank

Borrower: Eric Salud DDS P.C. d/b/a Complete Comfort Care

Loan / Mortgage Amount: \$975,500.00

This property is located within the program area and the transaction is exempt from the requirements of 765 ILCS 7770 et seq. because the application was taken by an exempt entity.

Certificate number: E0BD8219-5AEB-4F59-AC0D-4FCC9CD65EBA

Execution date: 8/3/2018

UNOFFICIAL COPYPrepared By and Return To:

Lee Riley Law, LLC
 K. Lee Riley, Jr., Esq.
 4905 Gorham Avenue
 Wilmington, NC 28409
 181257 IL

MORTGAGE

(SBA Loan No. 27732270-02)

THIS MORTGAGE (this "Mortgage") is made this 3rd day of August, 2018, by ERIC SALUD and VICTORIA SALUD, married, Illinois resident, their legal and personal representatives, heirs and assigns (collectively the "Mortgagor"), and CUSTOMERS BANK, its successors and assigns (the "Mortgagee").

WHEREAS, the Mortgagee has agreed to loan to ERIC SALUD DDS, P.C. dba Complete Comfort Care (the "Borrower") the principal sum of Nine Hundred Seventy-Five Thousand Five Hundred Dollars (\$975,500) (the "Principal Sum") for which Principal Sum the Borrower has delivered a promissory note of even date herewith, payable to the order of the Mortgagee, which promissory note, together with any extensions or renewals thereof or substitutions therefor, is referred to as the "Note"; and

WHEREAS, the Mortgagor wishes and intends, by the execution and delivery of this Mortgage, to secure (a) the full and punctual payment of (i) the Principal Sum, all interest thereon and all late charges and other fees and expenses due pursuant to the terms of the Note, and (ii) certain other indebtedness as hereinafter set forth, and (b) the performance of, and compliance with, all of the terms, covenants, conditions, stipulations and agreements contained in the Note, this Mortgage and all other documents executed and/or delivered in connection with the borrowing hereinabove described.

WHEREAS, THE MORTGAGOR WISHES AND INTEND, BY THE EXECUTION AND DELIVERY OF THIS MORTGAGE, AND EACH DOES HEREBY WILLINGLY AND KNOWINGLY, WAIVE ANY AND ALL HOMESTEAD EXEMPTION RIGHTS.

NOW, THEREFORE, THIS MORTGAGE WITNESSETH, that the Mortgagor, in consideration of the premises and the sum of One Dollar (\$1.00) lawful money of the United States of America, to the Mortgagor in hand paid, the receipt and sufficiency of which are hereby acknowledged, has granted, bargained, sold, and conveyed, and by these presents does grant, bargain, sell and convey all of the fee simple or leasehold interest (as indicated in the Title Policy) in the Land (commonly known as 2543 WEST SUPERIOR STREET, CHICAGO, IL 60612, and as more fully described on Exhibit A attached hereto and made a part hereof) unto the Mortgagee, its successors and assigns.

TOGETHER with all right, title and interest of the Mortgagor, including any after-acquired title or reversion, in and to the beds of the ways, streets, avenues and alleys adjoining the Land.

TOGETHER with all and singular the rights, alleys, ways, tenements, hereditaments, easements, appurtenances, passages, waters, water rights, water courses, riparian rights, liberties, advantages, accessions and privileges now or hereafter appertaining to the Property or any part thereof, including, but

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not limited to, any homestead or other claim at law or in equity, the reversion or reversions, remainder or remainders thereof, and also all the estate, property, claim, right, title or interest now owned or hereafter acquired by the Mortgagor in or to the Property or any part thereof.

TOGETHER with all improvements, alterations, structures and buildings now existing or hereafter erected or placed on the Land or any portion thereof (the "Improvements").

TOGETHER with all of the Mortgagor's right, title and interest in and to the property described on Exhibit B attached hereto and made a part hereof. All of the Equipment, so far as permitted by law, shall be deemed to be fixtures and part of the Land and of the Improvements, and as to any part of the Equipment not deemed or permitted by law to be fixtures, this Mortgage shall also constitute a security agreement under the U.C.C. and, pursuant thereto, and in order to secure the repayment of the Indebtedness and the performance of the obligations intended to be secured by this Mortgage, the Mortgagor hereby grants to the Mortgagee a security interest under the U.C.C. in and to such part of the Equipment not deemed or permitted by law to be fixtures, and the proceeds (cash and non-cash) thereof, including the Net Proceeds. With respect to the part of the Equipment not deemed or permitted by law to be fixtures, the Mortgagee shall have all the rights and remedies of a Mortgagee under the U.C.C.

TOGETHER with all proceeds (cash and non-cash), products and conversions of the Property; all improvements, accessions, additions, appurtenances and betterments to, extensions, renewals and replacements of, and/or substitutions for the Property; all of the Property, whether now or hereafter owned or acquired by the Mortgagor or (except as otherwise provided herein) others; and all books and records respecting all of the Property and the foregoing, all of the property described in this paragraph being included within the Property.

To secure to the Mortgagee for the benefit of the Mortgagee (a) the payment of the Indebtedness and (b) the performance of the Obligations.

PROVIDED, HOWEVER, that until the occurrence of an Event of Default hereunder, and subject to any provisions hereof to the contrary, the Mortgagor shall have the right to remain in peaceful possession of the Property, and the license to collect, receive and retain the rents, revenues, profits, proceeds, income and royalties therefrom.

PROVIDED, FURTHER, that if the Mortgagor shall pay or cause to be paid to the Mortgagee the Indebtedness in full at the time and in the manner stated in the Note and in this Mortgage and the other Loan Documents at any time before the sale hereinafter provided for, and shall well and truly perform the Obligations, then these presents and the estate granted hereby shall cease, determine and become void, and upon proof given to the satisfaction of the Mortgagee that the Indebtedness has been so paid or satisfied in full and that the Obligations have been fully performed, the Mortgagee shall (upon the receipt of the written request of the Mortgagee and at the expense of the Mortgagor) release and discharge the lien and terminate the security interest of this Mortgage of record upon payment to the Mortgagee of a fee for the release and reconveyance of the Property or any partial release and reconveyance thereof.

AND THIS MORTGAGE FURTHER WITNESSETH, that the Mortgagor hereby represents, warrants, covenants and agrees as follows, and stipulates that a breach of any of the following representations, warranties, covenants and agreements shall be deemed a breach of a material condition of this Mortgage and of the other Loan Documents.

ARTICLE I

DEFINITIONS

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Section 1.01. Definitions. The capitalized terms used in this Mortgage shall have the meanings indicated below unless the specific context in which such terms are used in this Mortgage requires a different meaning. All capitalized terms which are not otherwise defined herein and which are defined in Title 9 of the U.C.C. shall have the meanings set forth therein.

"Accounts," "Chattel Paper," "Contract Rights," "Documents," "Equipment," "Fixtures," "General Intangibles," "Goods," and "Instruments" shall have the same respective meanings as are applicable to those terms in the Illinois Uniform Commercial Code-Secured Transactions, Title 9, Commercial Law Article, Annotated Code of Illinois, as amended. The term "Fixtures" shall have the meaning provided by the common law of the state in which the fixtures are physically located.

"Affiliate" means (a) any officer, owner of any interest, or director of the Mortgagor ("Affiliated Individuals"); (b) any member of the immediate family of any Affiliated Individual; (c) any Subsidiary of the Mortgagor (d) any Person which, directly or indirectly, controls, is controlled by or is under common control or ownership with the Mortgagor and (e) any Person which is under the control of Affiliated Individuals. For the purposes of this definition, the term "control" means the ownership of ten percent (10%) or more of the beneficial interests in the firm or entity referred to, and the term "immediate family" means spouses, ancestors, lineal descendants, and brothers and sisters of the person in question including those adopted.

"Building" means, collectively, the buildings and other structures and improvements located on the Land.

"Business Day" means any day other than a Saturday or Sunday or a day that is a legal holiday or on which banks are authorized to close.

"Closing Date" means the date of this Mortgage.

"Collateral" means all of the property, real, personal and mixed, with respect to which the Mortgagor has granted a security interest to the Mortgagee pursuant to this Mortgage.

"Environmental Requirements" has the meaning given such term in Section 4.27 of this Mortgage.

"Equipment" has the meaning given this term in Exhibit B to this Mortgage.

"Event of Default" and "default" mean those events described in Article VIII hereof, and any default or event of default under any other Loan Document.

"G.A.A.P." means generally accepted accounting principles consistently applied and maintained throughout the period indicated and consistent with the prior financial practices of the Mortgagor, except for changes mandated by the Financial Accounting Standards Board or any similar accounting authority of comparable standing. Whenever any accounting term is used in the Loan Documents which is not specifically defined in the Loan Documents, it shall be interpreted in accordance with G.A.A.P.

"Hazardous Materials" means (i) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 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. 9601 et seq.), as amended from time to time, and regulations promulgated thereunder; (iii) any "oil, petroleum products and their by-products" as defined by Illinois Environment Code Ann., Section 4-411(3)(i), as amended from time to time, and regulations promulgated thereunder; (iv) any "hazardous substance" as defined by the Illinois Environment Code Ann., Section 7-201(b), as amended from time to time, and regulations promulgated thereunder; (v) any "asbestos material" as defined by the Illinois Environment Code Ann., Title 6, Subtitle 4, as amended from time to time,

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and regulations promulgated thereunder, and/or as defined by 40 C.F.R. Section 61.141, as amended from time to time; (vi) any "radon gas" in excess of levels recommended in U.S. Environmental Protection Agency Guidance Documents, as modified from time to time, or lower levels as provided by any applicable law or regulation now or hereafter in effect; (vii) any "infectious waste" as defined by Illinois Environment Code Ann., Section 9-227, as amended from time to time, and regulations promulgated thereunder; (viii) any substance the presence of which on any property attributable to the operations of the Borrower is prohibited, restricted or regulated by any law or regulation similar to those laws, regulations and/or other documents set forth above, including without limitation, polychlorinated biphenyls (PCBs) and lead-based paints; and (ix) any other substance which by law or regulation requires special handling in its collection, generation, storage, transportation, treatment or disposal.

"Improvements" has the meaning given such term in the granting clauses of the Mortgage.

"Indebtedness" means as to the Mortgagor all items of indebtedness, obligation or liability, whether matured or unmatured, liquidated or unliquidated, direct or contingent, joint or several, including the Obligations and including, but not limited to:

(a) All indebtedness guaranteed, directly or indirectly, in any manner or endorsed (other than for collection or deposit in the ordinary course of business) or discounted with recourse;

(b) All indebtedness in effect guaranteed, directly or indirectly, through agreements, contingent or otherwise (1) to purchase such indebtedness or (2) to purchase, sell or lease (as lessee or lessor) property, products, materials or supplies or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of such indebtedness or to assure the owner of the indebtedness against loss, or (3) to supply funds to or in any manner to invest in the debtor;

(c) All indebtedness secured by (or for which the holder of such indebtedness has a right, contingent or otherwise, to be secured by) any mortgage, deed of trust, pledge, lien, security interest or other charge or encumbrance upon property owned or acquired subject thereto, whether or not the liabilities secured thereby have been assumed; and

(d) All indebtedness incurred as the lessee of goods or services under leases that, in accordance with G.A.A.P., should not be reflected on the balance sheet of the lessee.

"Inspector" means an independent engineer licensed to practice in the State and appointed by the Mortgagee.

"Land" means the parcels of land described on Exhibit A to this Mortgage.

"Leases" means any and all existing and future leases or subleases for all or any portion of the Security, but does not include any arrangement, contract, license or agreement by and between Mortgagor and any client or customer of Mortgagor pursuant to which Mortgagor dedicates a portion of the Security for use in connection with or in furtherance of the performance by Mortgagor of services for, or the provision of goods to, such client or customer, or any like or similar arrangement.

"Lessees" means any and all present and future lessees or sublessees under any Lease of all or any portion of the Security.

"Loan" or "Loan Proceeds" means the total principal amount which the Lender has agreed to lend to the Borrower under this Agreement, which is the principal sum Nine Hundred Seventy-Five Thousand Five Hundred Dollars (\$975,500).

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"Loan Documents" means all documents executed and/or delivered by the Mortgagor or others in connection with Loan, including but not limited to, the Note, this Mortgage, the Loan Agreement, and any financing statements.

"Obligations" means the absolute obligation of the Mortgagor to pay to the Mortgagee (a) any and all sums due to the Mortgagee under the stated terms of the Loan, this Mortgage or the Loan Documents, (b) any and all sums reasonably advanced by the Mortgagee to preserve or protect the Security and the value of the Security or to preserve, protect or perfect the Mortgagee's security interest or lien in the Security, (c) in the event of any proceeding to enforce the collection of the obligations, or any of them, after default, the reasonable expenses incurred in connection with the retaking, holding, preparing for sale, selling or otherwise disposing of or realizing on the Security or of any exercise by the Mortgagee of the Mortgagee's rights in the Event of Default, together with reasonable attorneys' fees, expenses of collection and court costs, as provided in the Loan Documents, (d) any obligations or liability of the Mortgagor to the Mortgagee arising out of any letter of credit issued by the Mortgagee for the account or benefit of the Mortgagor, and (e) any other indebtedness or liability of the Mortgagor to the Mortgagee, whether direct or indirect, joint or several, absolute or contingent, now or hereafter existing so long as the Loan is in effect, however created or arising, and however evidenced.

"Permitted Liens" means:

(a) Liens for taxes, assessments or similar charges incurred in the ordinary course of business that are not yet due and payable.

(b) Pledges or deposits made in the ordinary course of business to secure payment of workmen's compensation or to participate in any fund in connection with workmen's compensation, unemployment insurance, old age pensions or other Social Security programs.

(c) Good faith pledges or deposits made in the ordinary course of business to secure performance of bids, tenders, contracts (other than for repayment of borrowed money) or leases, not in excess of ten percent (10%) of the aggregate amount due thereunder, or to secure statutory obligations, or a surety, appeal, indemnity, performance or other similar bonds required in the ordinary course of business.

(d) Encumbrances consisting of zoning restrictions, easements or other restrictions on the use of real property, none of which mutually impairs the use of the Property by the Mortgagor in the operation of the business of the Mortgagor and none of which is violated in any material respect by existing or proposed structures or land uses.

(e) Liens in favor of the Mortgagee, including the lien of this Mortgage, or liens in favor of purchase money financiers.

"Person" means any individual, corporation, partnership, association, joint stock company, trust, unincorporated organization, joint venture, court or government or political subdivision or agency thereof.

"Property" means the Land, the Building and all other property, whether real, personal or mixed, described in this Mortgage and all improvements thereto and betterments thereon, including all of the Collateral deemed to be fixtures.

"Records" means correspondence, memoranda, tapes, discs, papers, books and other documents, or transcribed information of any type, whether expressed in ordinary, computer or machine language.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, or dumping.

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"Remedial Action" means (a) the clean-up or removal of Hazardous Substances; (b) such action as may be reasonably necessary to monitor, assess, or evaluate the Release or threatened Release of Hazardous Substances; (c) the proper disposal or removal of Hazardous Substances; (d) the taking of such other actions as may be reasonably necessary to prevent, minimize, or mitigate the damages caused by a Release or threatened Release of Hazardous Substances to the public health or welfare or to the environment; and (e) the providing of emergency assistance after a Release. Remedial Actions include but are not limited to such actions, so long as reasonably taken, at the location of a Release as: storage; confinement; perimeter protection using dikes, trenches, or ditches; clay cover; neutralization; clean-up of Hazardous Substances or contaminated materials; recycling or reuse; diversion; destruction; segregation of reactive wastes; dredging or excavations; repair or replacement of leaking containers; collection of leachate and runoff; onsite treatment or incineration; providing alternative water supplies; and any monitoring reasonably required to assure that such actions protect the public health and welfare and the environment.

"Security" means, collectively, the Property and the Collateral.

"Solvent" means, as to any Person, that such Person at the time of determination (a) owns assets whose fair saleable aggregate value is greater than the amount required to pay all of its liabilities; (b) is able to pay all of its liabilities as such liabilities mature; and (c) has paid in and unimpaired capital sufficient to carry on its business and transactions and all business and transactions in which it engages or is about to engage.

"State" means the State of Illinois.

"Subsidiary" means any corporation of which the Mortgagor directly or indirectly owns or controls at the time: (a) at least a majority of the outstanding stock having under ordinary circumstances (not dependent upon the happening of a contingency) voting power to elect a majority of the board of directors (in the case of a corporation having directors); or (b) a majority of the voting stock of any corporation not having directors. The term "Subsidiary" also means any general or limited partnership or other entity of which more than fifty percent (50%) of the outstanding partnership interests or ownership interests shall, at the time of determination, be owned directly, or indirectly through one or more intermediaries, by the Mortgagor.

"Taxes" means all taxes, water rents, sewer rents, assessments, utility charges (whether public or private) and other governmental or municipal or public or private dues, charges and levies and any prior liens (including federal tax liens) for such which are or may be levied, imposed or assessed upon the Security or any part thereof or upon the rents, issues, income or profits thereof, whether any or all of the aforementioned be levied directly or indirectly or as excise taxes or as income taxes.

"Title Policy" means the title insurance policy, binder or commitment issued by a title company acceptable to the Mortgagee with respect to the Property, which Title Policy shall be acceptable and updated through the Closing Date and the date on which the Mortgage has been recorded among the appropriate land records office.

"U.C.C." means the Illinois Uniform Commercial Code, as codified in the Commercial Law Article of the Annotated Code of Illinois, and as amended, supplemented or modified from time to time.

Section 1.02. Rules of Construction. The words "hereof," "herein," "hereunder," "hereto," and other words of similar import refer to this Mortgage in its entirety.

The terms "agree" and "agreement" contained herein are intended to include and mean "covenant" and "covenants."

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References to Articles, Sections, and other subdivisions of this Mortgage are to the designated Articles, Sections, and other subdivisions of this Mortgage as originally executed.

The headings of this Mortgage are for convenience only and shall not define or limit the provisions hereof.

The use of the word "including" is intended to set forth examples and not constitute a limitation on the general statement preceding such use of the word "including" and shall be deemed to mean "including but not limited to" unless expressly set forth to the contrary.

ARTICLE II

TERMS OF THE LOAN

Section 2.01. Terms of the Loan. Upon the terms and subject to the conditions contained herein and in the Loan Documents, the Mortgagee shall advance the Principal Sum to the Mortgagor, for the purposes herein described, on the Closing Date.

Section 2.02. Payments to the Beneficiary. All sums payable to the Mortgagee hereunder shall be paid, on or before the date on which the same become due and payable, to the Mortgagee (or as otherwise directed by the Mortgagee) in immediately available funds.

Section 2.03. Payments are Provisional. All payments made by the Mortgagor to the Mortgagee on any of the Obligations shall be provisional and shall not be considered final unless and until such payment is not subject to avoidance under any provision of the United States Bankruptcy Code, as amended, including Sections 547 and 550, or any state law governing insolvency or creditors' rights. If any payment is avoided or set aside under any provision of the United States Bankruptcy Code, including Section 547 and 550, or any state law governing insolvency or creditors' rights, the payment shall be considered not to have been made for all purposes of this Mortgage, and the Mortgagee shall adjust its records to reflect the fact that the avoided payment was made and has not been credited against the Obligations.

ARTICLE III

REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

To induce the Mortgagee to make the Loan and to enter into this Mortgage, the Mortgagor makes the representations and warranties set forth in this Article III. The Mortgagor acknowledges the Mortgagee's justifiable right to rely upon these representations and warranties.

Section 3.01. Status. The Mortgagor has the power to own its properties, conduct its business and affairs, and enter into the Loan and perform the Obligations. The Mortgagor does not trade under any trade or fictitious names.

Section 3.02. Warranty of Title. The Mortgagor represents and warrants that, at the time of the execution and delivery of this Mortgage, the Mortgagor is the owner of the fee simple legal title to, and is lawfully seized and possessed of, the Property. The Mortgagor has the right and authority to convey the Property and does hereby warrant specially, and agrees to defend, the Property and the title thereto, whether now owned or hereafter acquired, against all claims and demands of the Mortgagor and every Person claiming by, through or under Mortgagor.

Section 3.03. Authority. The Mortgagor has full power and authority to enter into and execute and deliver this Mortgage and each of the other Loan Documents executed and delivered by it and to incur and

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perform the Obligations provided for herein and therein (including the borrowing under the Loan). No further consent or approval of any other Person or public authority or regulatory body is required as a condition to the validity or enforceability as against Mortgagor of this Mortgage or any of the other Loan Documents, or if required, the same has been obtained.

Section 3.04. Binding Agreements. This Mortgage and each of the other Loan Documents executed and delivered by the Mortgagor have been duly and properly executed by the Mortgagor, constitute the valid and legally binding obligations of the Mortgagor and are fully enforceable against the Mortgagor in accordance with their respective terms.

Section 3.05. Litigation. There is no litigation or proceeding pending or, so far as the Mortgagor knows, threatened, before any court or administrative agency which will materially adversely affect the financial condition of the Mortgagor or the authority of the Mortgagor to enter into, or the validity or enforceability of, this Mortgage or any of the other Loan Documents or the ability of the Mortgagor to perform the Obligations.

Section 3.06. No Conflicting Agreements. There is (i) no provision in any existing mortgage, indenture, contract or agreement binding on the Mortgagor or affecting any property of the Mortgagor, (ii) no provision of law or order of court binding upon the Mortgagor or affecting any property of the Mortgagor, and (iii) no preference partnership provision, which would conflict with or in any way prevent the execution, delivery or performance of the terms of this Mortgage or of any of the other Loan Documents executed and delivered by the Mortgagor or which would be in default or violated as a result of such execution, delivery or performance.

Section 3.07. Financial Position. The financial statements of the Mortgagor heretofore delivered to the Mortgagee are complete and correct in all material respects and fairly present the financial position of the Mortgagor as of the dates and for the periods referred to therein and have been prepared accurately to reflect the assets and liabilities of the Mortgagor. There are no liabilities, direct or indirect, fixed or contingent, of the Mortgagor as of the date of such financial statements, which are not reflected therein or in the notes thereto. There has been no material adverse change in the financial condition or operations of the Mortgagor since the date of such financial statements (and to the Mortgagor's knowledge no such material adverse changes are pending or threatened), and the Mortgagor has not guaranteed the obligations of, or made any investment in or loans to, a Person or other entity except as disclosed in such financial statements. The Mortgagor has good and marketable title to all of its properties and assets, and all such properties and assets are free and clear of mortgages, pledges, liens, charges and other encumbrances, except as reflected in such financial statements or in the notes thereto, and except for Permitted Liens.

Section 3.08. Tax Returns. The Mortgagor has filed all required federal, state and local tax or information returns and have paid all taxes shown on such returns as they have become due, and there is no current on-going audit of any of them by either the State or federal governments.

Section 3.09. Title to Collateral. The Mortgagor owns the Collateral subject only to the Permitted Liens.

Section 3.10. Broker's Commission. The Mortgagor has not made any agreement or taken any action which may cause anyone to become entitled to a commission or finder's fee as a result of the making of the Loan.

Section 3.11. Non-existence of Defaults. The Mortgagor is not in default, nor shall the passing of time or the giving of notice result in the occurrence of a default with respect to any of its existing Indebtedness.

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Section 3.12. Leases in Good Standing. The Mortgagor enjoys peaceful and undisturbed possession under all Leases under which it is now operating, and all said Leases are valid, subsisting and in full force and effect and the Mortgagor is not in violation of any material term of any such Lease. Each such Lease contains terms acceptable to the Mortgagor.

Section 3.13. Public Utilities. The Mortgagor has not received any notification that any Public Utility, the receivables of which are or are requested to be part of the basis for an advance under the Loan, is the subject of any federal or state insolvency proceedings.

Section 3.14. Debt. The Mortgagor has no credit agreements, indentures, purchase agreements, guaranties, Capital Leases, or other investments, agreements, and arrangements presently in effect providing for or relating to extensions of credit (including agreements and arrangements for the issuance of letters of credit or for acceptance financing) in respect of which the Mortgagor or any Subsidiary of the Mortgagor is in any manner directly or contingently obligated, except as otherwise disclosed to Mortgagee in writing or in Mortgagor's financial statements.

Section 3.15. Solvency. The Mortgagor will be Solvent both before and after the Closing Date, after giving full effect to the Loan and all of the Mortgagor's Indebtedness. The Mortgagor knows of no reason which is likely to cause it to be unable to maintain such Solvent financial condition, giving full effect to the Obligations, as long as any of the Obligations remain unsatisfied.

Section 3.16. No Hazardous Substances. The Property has never been and is not being used to make, store, handle, treat, dispose of, generate, or transport Hazardous Substances in violation of any applicable law; there has not been a Release of Hazardous Substances on, from, or near the Property. The Mortgagor has never received any notification, citation, complaint, violation, or notice of any kind from any Person relating or pertaining to the making, storing, handling, treating, disposing, generating, transporting, or Release of Hazardous Substances in respect of the Property.

Section 3.17. Purpose. The Mortgagor represents and warrants that the Loan evidenced and secured by the Loan Documents is a "commercial loan" as defined in the Commercial Law Article of the Annotated Code of Illinois and is a qualified project under the Program.

Section 3.18. Tax Assessment. The Property is assessed for purposes of Taxes as a separate and distinct parcel from any other real property so that the Property shall never become subject to the lien of any Taxes levied or assessed against any real property other than the Land and improvements described in this Mortgage.

Section 3.19. Compliance with Environmental Requirements. The Mortgagor represents and warrants that the Mortgagor has not done or caused anything to be done to the Security which would cause the Security to be in violation of or in non-compliance with the Environmental Requirements. To the best of the Mortgagor's knowledge, the Mortgagor further represents and warrants that the Security is in all material respects compliance with and does not violate in any material respects any Environmental Requirements.

ARTICLE IV

COVENANTS AND AGREEMENTS

Section 4.01. Payment of Indebtedness and Performance. The Mortgagor will punctually pay to the Mortgagee the principal of and interest on the Note according to the terms of the Note and all other Indebtedness secured hereby as the same shall become due, and shall punctually keep and perform each and every term, provision, covenant and agreement contained in the Loan Documents.

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Section 4.02. Indemnification. The Mortgagor will pay all expenses and charges, legal or otherwise (including all court costs and reasonable attorneys' fees and expenses) paid or incurred by the Mortgagee in reliance upon this Mortgage, in realizing upon any of the obligations hereby secured or in enforcing this Mortgage or any agreement or covenant referred to herein, and in each of the other Loan Documents. The Mortgagor further agrees to indemnify and hold harmless the Mortgagee and the Mortgagee from any loss (including reasonable attorneys' fees) resulting from any default by the Mortgagor under the terms of this Mortgage.

Section 4.03. Insurance. The Mortgagor shall, at all times that any Obligations remain outstanding under the Loan and at the Mortgagor's sole cost and expense, maintain or cause to be maintained insurance coverage in accordance with customary insurance practices of businesses carrying on business similar to the business carried on by the Mortgagor and otherwise situated in a manner similar to that of Mortgagor. The Mortgagor shall promptly pay when due any and all premiums on such insurance, and such insurance shall be written in such manner and with such insurers as may be approved by the Mortgagee such approval not to be unreasonably withheld. The policies of such insurance and all renewals thereof (to the extent of fire, casualty and general liability) are hereby assigned to, and shall be deposited with and held by, the Mortgagee, as collateral and further security for the Indebtedness and have attached thereto standard noncontributing, non-reporting mortgagee clauses in favor of and entitling the Mortgagee, without contribution, to collect any and all proceeds payable under such insurance as its interest may appear, all to be in form reasonably acceptable to the Mortgagee. Not less than thirty (30) days prior to the expiration date of each such policy for fire, casualty and general liability, the Mortgagor will deliver to the Mortgagee a renewal policy or policies marked "premium paid" or accompanied by other evidence of payment satisfactory to the Mortgagee. In the event of a sale of all or any part of the Property pursuant to the provisions of this Mortgage, the Mortgagee shall succeed to all the rights and interest of the Mortgagor, including any right to unearned premiums in and to all such policies of insurance. The Mortgagor will immediately notify the Mortgagee of any cancellation of or change in any insurance policy, and each such policy shall contain the agreement of the insurer that such policy will not be adversely modified or canceled without thirty (30) days prior written notice to the Mortgagee. If the Mortgagor fails to so insure the Security or fails to deliver such policies to the Mortgagee, the Mortgagee may, at its option, effect such insurance from time to time and pay the premiums therefor, and the Mortgagor shall repay the Mortgagee for any premiums so paid, with interest thereon, as provided herein.

Section 4.04. Taxes. (a) Subject to the provisions of the next succeeding sentence, the Mortgagor will promptly pay in full and discharge before delinquency and before any penalty for non-payment attaches thereto all Taxes whether such Taxes be levied directly or indirectly or as excise taxes or as income taxes. The Mortgagor shall be permitted to contest any such Taxes provided that Mortgagor first (a) delivers written notice of the Mortgagor's intent to so contest and (b) demonstrates to the reasonable satisfaction of Mortgagee that sufficient reserves have been set aside or are otherwise available to satisfy the tax liability. Upon payment of the Taxes, the Mortgagor will exhibit to the Mortgagee, upon demand, the receipted bills therefor, prior to the day upon which the same shall become delinquent. If the Mortgagor fails to pay the Taxes at the times or in the manner provided in this Section, the Mortgagee may, at its option, pay such Taxes, and the Mortgagor shall pay to the Mortgagee the amount of any Taxes so paid, with interest thereon, as provided herein.

At the election of the Mortgagee, following the occurrence of an Event of Default, the Mortgagor shall pay to the Mortgagee or its designee monthly in advance one-twelfth (1/12) of the estimated insurance premiums required to be paid pursuant to this Mortgage and Taxes required to be paid pursuant to this section, which moneys shall be held in an escrow reserve by the Mortgagee or as designated by the Mortgagee for the purpose of paying such amounts when due.

(b) In the event of the passage of any Federal, State, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws

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now in force governing the taxation of mortgages or debts secured by mortgages or the manner of collecting any such taxes so as to adversely affect the Mortgagee (including, without limitation, a requirement that additional internal revenue stamps be affixed to the Note or to this Mortgage), the Mortgagor will promptly pay any such tax. If the Mortgagor fails to make such prompt payment within ten (10) days of the written notice thereof from Mortgagee, then the entire unpaid balance of the Principal Sum secured by this Mortgage and all unpaid interest accrued thereon shall, without notice, immediately become due and payable at the option of the Mortgagee. In no event, however, shall any income taxes of the Mortgagee or franchise taxes of the Mortgagee measured by income, or taxes in lieu of such income taxes or franchise taxes, be required to be paid by the Mortgagor.

Section 4.05. Maintenance and Repair of the Property. The Mortgagor, at the Mortgagor's sole expense, will (a) keep and maintain the Security and each part thereof in good condition, working order and repair, and (b) make all necessary or appropriate repairs, replacements and renewals to the Security so that each part of the Security shall at all times, be in good condition, fit and proper for the respective purposes for which they were originally intended, erected, or installed. To the extent that Awards are made available to the Mortgagor, the Mortgagor will promptly repair, restore, replace, or rebuild any part of the Security which may be damaged or destroyed by any casualty whatsoever or which may be affected by any taking by eminent domain or alteration of the Security or any part thereof by public or quasi-public authority or corporation.

Section 4.06. Removal, etc. of Equipment and Improvements. No Improvements or Equipment now or hereafter covered by the lien and security interest of this Mortgage shall be removed, demolished or materially altered, without the prior written consent of the Mortgagee, except (i) to the extent not otherwise restricted under Section 4.10 or Section 5.02 herein and (ii) that the Mortgagor shall have the right, without such consent, to remove and dispose of, free from the lien and security interest of this Mortgage, such Equipment as from time to time may become worn out or obsolete, provided that either (a) simultaneously with or prior to such removal any such Equipment is replaced with other Equipment of value at least equal to that of the replaced Equipment and free from the lien or security interest of any title retention or security agreement or other encumbrance, and by such removal and replacement the Mortgagor shall be deemed to have subjected such replacement Equipment to the lien and security interest of this Mortgage, or (b) such Equipment is sold at fair market value for cash and the net cash proceeds received from such disposition are paid over promptly to the Mortgagee to be applied to the payment of the Indebtedness in the manner and order determined by the Mortgagee.

Section 4.07. Other Liens. At all times the Mortgagor will keep the Security free from all liens, mortgages, security interests, encumbrances and claims of every kind and nature (other than Permitted Liens). The Mortgagor shall give the Mortgagee notice of any default in any permitted junior or subordinated lien, mortgage, security interest or encumbrance on the Security and notice of any foreclosure or threat of foreclosure of such permitted junior or subordinated lien, mortgage, security interest or encumbrance.

Section 4.08. Compliance with Laws. The Mortgagor will comply with and not violate, or cause to be complied with and not violated, all present and future laws, statutes, ordinances, rules, regulations, decrees and orders of any governmental or other authority or regulatory body relating to the Security or any part thereof or to the use and operation of the Security or any part thereof.

Section 4.09. Inspection. The Mortgagor will permit the Mortgagee or its agents to enter upon the Property and make inspections of the Security or any part thereof after reasonable notice has been provided to Mortgagor, at all reasonable times and as often as may be reasonably requested by the Mortgagee.

Section 4.10. Transfer of Security. Without the prior written consent of the Mortgagee, which will not be unreasonably withheld, and except as otherwise permitted in this Mortgage, the Mortgagor will not

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transfer sell, lease, convey, assign, transfer or in any manner dispose of all or any part of the Security, outside of the ordinary course of business.

Section 4.11. Restrictive Covenants, Zoning, etc. Without the prior written consent of the Mortgagee, the Mortgagor will not initiate, join in, or consent to any change in, any restrictive covenant, easement, zoning ordinance, or other public or private restrictions, limiting or defining the uses which may be made of the Property or any part thereof. The Mortgagor will promptly perform and observe, or cause to be performed and observed, all of the terms, covenants and conditions of all instruments of record affecting the Property, non-compliance with which may affect the security of this Mortgage, or which may impose any duty or obligation upon the Mortgagor or any Lessee or other occupant of the Property, or any part thereof, and the Mortgagor shall do or cause to be done all things necessary to preserve intact and unimpaired any and all easements, appurtenances and other interests and rights in favor of, or constituting any portion of, the Property.

Section 4.12. Management. The Mortgagor at all times shall provide competent and responsible management and operation of the Property. Any management contract or contracts involving the Property, or any part thereof, must be approved in writing by the Mortgagee prior to the execution of the same, shall be collaterally assigned to the Mortgagee and shall require the management agent to accept such assignment.

Section 4.13. Books and Records. (a) The Mortgagor will keep and maintain full and accurate records and books administered in accordance with G.A.A.P., consistently applied, showing in detail the earnings and expenses of the Property and the operation thereof, and shall permit the Mortgagee or any Person or Persons authorized by the Mortgagee to inspect and examine such records and books and all supporting vouchers and data and to make copies and extracts therefrom or thereof at all reasonable times and as often as may be reasonably requested by the Mortgagee at the offices of the Mortgagor, or at the office of such other Person keeping and maintaining such books and records in Illinois City, Illinois, or at some other location as may be mutually agreed upon.

(b) The Mortgagor will furnish to the Mortgagee, such financial statements and other financial data of the Mortgagor required to be delivered to the Mortgagee as provided herein. At the same time, the Mortgagor will furnish to the Mortgagee similar financial statements, prepared as aforesaid, for each guarantor of the Note.

Section 4.14. Condemnation or Casualty-General Provisions. The Mortgagee is hereby authorized, at its option, to commence, appear in and prosecute, in its own or the Mortgagor's name, any action or proceeding relating to any condemnation, taking or casualty to the Security, and to settle or compromise any claim in connection therewith. Provided the Mortgagor is not in default hereunder, the Mortgagee shall not settle or compromise any claim in connection with any damage or taking through condemnation without the prior written consent of the Mortgagor, which consent shall not be unreasonably withheld. Mortgagee acknowledges that it is a body politic and political subdivision and that the withholding by Mortgagor of its consent shall not be deemed unreasonable in respect of any condemnation proceeding initiated by or through Mortgagee. No settlement for the damages sustained thereby shall be made by the Mortgagor without the Mortgagee's prior written approval thereof, not be unreasonably withheld. Notwithstanding any taking by eminent domain, alteration of the grade of any street or injury or other casualty to or decrease in value of the Security, the Mortgagor will continue to pay the Indebtedness as and when the same shall become due and payable, and any reduction in the Principal Sum resulting from the application by the Mortgagee of the Awards shall be deemed to take effect only on the date of such receipt and application in accordance with the provisions of this Section. The Net Proceeds from all or any part of any Awards so received by the Mortgagee shall be applied as set forth herein, provided that (i) the Mortgagee shall not be obligated to see to the application of any of Net Proceeds paid over to the Mortgagor, and (ii) the Net Proceeds so paid over to the Mortgagee and not applied to the Indebtedness shall not be deemed a payment

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on any of the Indebtedness secured hereby. If, prior to the receipt by the Mortgagee of such Award, the Security or any part thereof shall have been sold pursuant to the default provisions of this Mortgage, the Mortgagee shall have the right to receive such Award to the extent of any deficiency found to be due upon such sale, with legal interest thereon, whether or not a deficiency judgment on this Mortgage shall have been sought or recovered or denied, and of the counsel fees, costs and disbursements incurred by the Mortgagee in connection with the collection of such Award. The Mortgagor agrees to execute and deliver, from time to time, upon the reasonable request of the Mortgagee, such further instruments or documents as may be requested by the Mortgagee to confirm the grant and assignment to the Mortgagee of any such Award.

Section 4.15. Damage and Destruction; Condemnation; Application of Net Proceeds. If, at any time prior to the repayment in full of all of the Indebtedness, (a) the Security or any part thereof is damaged by fire or other casualty, or (b) title to, or the use of, the Security or any part thereof, or the interest of the Mortgagor in the Security or any part thereof, shall be taken or altered under the exercise of the power of eminent domain by any governmental body or by any Person acting under governmental authority, either temporarily or permanently, the Mortgagor shall be obligated to continue to pay the Indebtedness in the manner provided herein, and the Net Proceeds resulting from any event described in this Section will be deposited in an escrow fund and applied as follows:

(i) Provided that no Event of Default shall have occurred and be continuing, at the option of the Mortgagor, to repair, rebuilding, restoration or alteration, as appropriate, of that portion of the Security so damaged or destroyed by fire or other casualty, or of that portion of the remaining Security which may have been altered as a result of a taking or condemnation, and/or to the acquisition by the Mortgagor, by construction or otherwise, of other lands or improvements suitable for the Mortgagor's operations at the Property (which land or improvements shall be acquired by the Mortgagor, subject to no liens or encumbrances, other than the Permitted Liens, as evidenced by a mortgagee's land title insurance policy acceptable to the Mortgagee, and shall be deemed part of the Property and subject to the lien of this Mortgage), in either of which event such Net Proceeds shall be deposited into an escrow fund to be held by the Mortgagee, or by such other Person as may be approved by the Mortgagee, and the Mortgagor will (A) proceed promptly to repair, rebuild, restore or alter that part of the Security so damaged or destroyed or of that portion of the remaining Security which may have been altered as a result of a taking or condemnation, to substantially the same condition as it existed prior to the event causing such damage, destruction, or prior to such taking with such changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Mortgagor and approved by the Mortgagee (such approval not to be unreasonably withheld) and as will not impair the operating unity or productive capacity of the Security, and (B) cause withdrawals to be made from such escrow fund to pay the costs of such repair, rebuilding, restoration, or alterations, as appropriate, either on completion thereof or as the work progresses. In order to receive advances from such escrow fund for such purposes, the Mortgagor will be required to furnish to the Mortgagee, or to such other Person, a certificate signed by the Mortgagor specifying in reasonable detail the items of cost to be reimbursed from such escrow fund and certifying that, the Mortgagor is not in default under this Mortgage or any of the other Loan Documents. The balance, if any, of such Net Proceeds remaining after the payment of all of the costs of such repair, rebuilding, restoration or alterations, as appropriate, shall, to the extent of any diminution in value of the Security after such repair, rebuilding, restoration or alteration, as compared to the value thereof prior to the taking or casualty, as reasonably determined by Mortgagee, be applied by the Mortgagee to the prepayment of the Indebtedness, and any remaining Net Proceeds will be reimbursed by the Mortgagee to the Mortgagor; or

(ii) If an Event of Default shall have occurred and be continuing, or if requested at the option of the Mortgagor, first, to the prepayment of the Indebtedness and, next, towards the performance of the Obligations and, thereafter, the balance shall be reimbursed to the Mortgagor.

All Net Proceeds received by any Person shall be held in trust by the recipient thereof to be applied in accordance with the terms of this Article. In the event that Mortgagor elects to apply the Net

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Proceeds pursuant to subsection (i) above, and the Net Proceeds are not sufficient to pay in full the costs of repairing, rebuilding, altering and restoring the Security or acquiring additional property, as provided in this Section, the Mortgagor will nonetheless complete the work or acquisition thereof and pay that portion of the costs thereof in excess of the amount of such Net Proceeds. The Mortgagor shall not, by reason of the payment of such excess costs (whether by direct payment thereof or payment to the Mortgagee therefor) be entitled to any reimbursement from the Mortgagee or to any abatement or diminution of the payments payable hereunder.

Section 4.16. Additional Improvements. The Mortgagor will not construct any additional improvements in excess of \$15,000 in respect to additional buildings on the Land without the prior written consent of the Mortgagee. The Mortgagor will complete and pay for any permitted structure at any time in the process of construction on the Land. The Mortgagor will construct and erect any permitted improvements on any part of the Land (a) strictly in accordance with all applicable ordinances and statutes and in accordance with the requirements of all regulatory authorities having jurisdiction, (b) entirely on lots or parcels of the Land, (c) so as not to encroach upon any easement or right of way or upon the land of others, (d) wholly within the building restriction lines however established, and (e) so as not to violate use and other restrictions contained in prior conveyances, zoning ordinances or restrictions.

Section 4.17. Leases. (a) The Mortgagor will carry out all of its covenants and agreements under all Leases which it has executed or may hereafter execute in connection with the Security, or any portion thereof. The Mortgagor will not enter into any Lease without thirty (30) days prior written notice to the Mortgagee. At any time within thirty (30) days after notice and demand by the Mortgagee, the Mortgagor will deliver to the Mortgagee a written statement in such reasonable detail as the Mortgagee may request, certified by the Mortgagor, of all of the Leases relating to the Security or any part thereof, including the names of all Lessees, the terms of all Leases and the rentals payable under all Leases, and, on demand, the Mortgagor will furnish to the Mortgagee executed counterparts of any such Leases. If any of such Leases provide for the giving by the Lessee of certificates with respect to the status of such Leases, the Mortgagor shall exercise its right to require such certificates within ten (10) days after any request therefor by the Mortgagee.

(b) The Mortgagor hereby grants, assigns, transfers and sets over unto the Mortgagee, all of Mortgagor's right, title and interest in and to any Leases, or any portion thereof, now or hereinafter entered into, together with all of the rents, royalties, issues, profits, revenues, income and other benefits of the Security including, without limitation, any security deposits thereunder or guaranties to secure performance by the Lessees of their obligations thereunder, whether such security deposits are to be held until the expiration of the terms of such Leases or applied to one or more installments of rent coming due immediately prior to the expiration of such terms; reserving in the Mortgagor a license to collect and receive the same until there is a default under this Mortgage.

(c) So long as there shall exist no default under this Mortgage, the Mortgagor shall have a license, terminable by the Mortgagee upon the occurrence of a default hereunder, to collect upon, but not prior to accrual, the rents under the Leases, such rents to be held in trust for the Mortgagee. Each month, upon the Mortgagor's compliance with all of its obligations required under the Loan Documents, the Mortgagor may retain such rents as were collected that month and held in trust for the Mortgagee. Upon the occurrence of a default hereunder, the license granted to the Mortgagor shall be automatically and immediately revoked without any requirement of notice. Upon revocation of such license and following notification to the Lessees under such Leases by the Mortgagee that rents are to be paid to the Mortgagee, all rents shall be paid directly to the Mortgagee and not through the Mortgagor, it being understood that a demand by the Mortgagee on any Lessee under such Leases for the payment of rent following any default claimed by the Mortgagee shall be sufficient to warrant such Lessee making future payments of rent to the Mortgagee without the necessity of further consent by the Mortgagor.

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(d) The Mortgagor will, at its sole cost and expense, use its best efforts to enforce or secure, or cause to be enforced or secured, the performance of each and every obligation and undertaking of the respective Lessees under any Leases, or any portion thereof, and will appear in and defend, at its sole cost and expense, any action or proceeding arising under or in any manner connected with such Leases or the obligations and undertakings of any Lessee thereunder.

(e) The Mortgagor will not further assign the whole or any part of the rents, income or profits arising from the Security or any part thereof without the prior written consent of the Mortgagee, and any assignment thereof without such consent shall be null and void.

(f) The Mortgagor will not, without the prior written consent of the Mortgagee, (i) cancel, terminate, accept a surrender of, reduce the payment of rent under, or accept any prepayment of rent (other than is customary) under, any present or future Lease, (ii) lease all or any part of the Security except upon lease forms which shall have been approved by the Mortgagee, or (iii) permit a lien or encumbrance on the Security or any part thereof superior to any such Lease other than the Permitted Liens.

(g) If the Mortgagor has leased or shall hereafter lease the Security or any part thereof by Lease or Leases, any such Lease or Leases shall be subject to the condition that in the event of any sale of the Security, or any part thereof, pursuant to the default provisions of this Mortgage, such Lease or Leases shall, at the sole option of Mortgagee, continue in full force and effect, and the Lessees thereunder will, upon request, attorn to and acknowledge in writing the purchaser or purchasers at such sale or sales as landlord or lessor thereunder, unless the Mortgagee or such purchaser or purchasers or the Mortgagee, shall, at or prior to the time of such sale or sales or within sixty (60) days thereafter, notify the Lessees, in writing, to vacate and surrender the leased premises within ninety (90) days from the date of such sale or sales, in the event of which notice any such Lease or Leases shall fully terminate and expire at the end of such period of ninety (90) days from and after the date of such sale or sales; provided, however, that any such purchaser or purchasers shall not be bound by any payment of rent in advance or any amendment or modification of the Lease made without the prior written consent of the Mortgagee and such purchaser or purchasers.

(h) The Mortgagee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by the Mortgagor under any Lease or Leases for all or any part of the Security, and the Mortgagor shall indemnify the Mortgagee for, and save them harmless from, any and all liability arising from any such Lease or Leases, or from any assignment thereof, and any such assignment shall not place the responsibility for the control, care, management or repair of the Security or any part thereof upon the Mortgagee, nor make the Mortgagee liable for any negligence in the management, operation, upkeep, repair or control of the Security or any part thereof resulting in loss or injury or death to any Lessee, agent or stranger.

Section 4.18. Use of Loan Proceeds. The proceeds of the Note advanced to the Mortgagor shall be employed and used by the Mortgagor solely for the acquisition and/or improvements of the Property.

Section 4.19. Estoppel Certificates. Within ten (10) days after any reasonable request by the Mortgagee or a proposed assignee or purchaser of the Note, the Mortgagor shall certify, by a written statement, to the Mortgagee or to any proposed assignee or purchaser of the Note, the then unpaid balance of the Indebtedness (including but not limited to the unpaid balance of the Principal Sum with interest accrued but unpaid) and the existence of any offsets or defenses which exist against the Indebtedness secured hereby.

Section 4.20. Additions to Security. All right, title and interest of the Mortgagor in and to all extensions, renewals and replacements of, and all substitutions for, and all improvements, accessions, additions, appurtenances and betterments to the Security, hereinafter acquired by or released to the Mortgagor, or constructed, assembled or placed by the Mortgagor on the Property, and all proceeds (cash

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and non-cash), products and conversions of the Security immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case, without any further deed of trust, conveyance, assignment or other act by the Mortgagor, shall become subject to the lien of this Mortgage as fully and completely, and with the same effect, as though now owned by the Mortgagor and specifically described in the granting clauses hereof, but at any and all times the Mortgagor will execute and deliver to the Mortgagee any and all such further assurances, deeds of trust, conveyances or assignments thereof as the Mortgagee may require for the purpose of expressly and specifically subjecting the same to the lien of this Mortgage.

Section 4.21. Subrogation. To the extent permitted by law, the Mortgagee shall be subrogated, notwithstanding their release of record, to any mechanic's or vendor's lien or liens, superior titles, mortgages, deeds of trust, liens, encumbrances, rights, equities, and charges of all kinds heretofore or hereafter existing on the Security to the extent that the same are paid or discharged by the Mortgagee whether or not from the proceeds of the Note; provided, however, this Section shall not be deemed or construed to obligate the Mortgagee to pay or discharge the same.

Section 4.22. Security Agreement. This Mortgage creates, and the Mortgagor hereby grants to the Mortgagee, a security interest in the Equipment and other Security to the extent the same is not real property or is subject to the U.C.C., and this Mortgage constitutes a security agreement from the Mortgagor to the Mortgagee under the U.C.C. with respect to the same. The Mortgagor hereby agrees to execute and deliver on demand, and hereby irrevocably constitutes and appoints the Mortgagee the attorney-in-fact of the Mortgagor, to execute, deliver and, if appropriate, to file with the appropriate filing office or offices, such financing statements or other instruments as the Mortgagee may request or require in order to perfect the security interest granted hereby or to continue the effectiveness of the same.

Section 4.23. Right to Perform. If the Mortgagor shall fail to make any payment or perform, observe, or comply with any of the conditions and covenants herein contained, the Mortgagee, without notice to or demand upon the Mortgagor, and without waiving or releasing any obligation or default, may (but shall be under no obligation to) at any time thereafter make such payment or perform such act for the account and at the expense of the Mortgagor, and may enter upon the Property or any part thereof for that purpose and take all such reasonable action thereon as the Mortgagee may consider necessary or appropriate for such purpose. All such sums so paid or advanced by the Mortgagee and all costs and expenses (including, without limitation, attorneys' fees and expenses, so incurred, together with interest thereon, shall be repaid by the Mortgagor to the Mortgagee as provided herein.

Section 4.24. Utilities. The Mortgagor shall pay when due all utility charges, if any, which are incurred for the benefit of the Security or which may become a charge or lien against the Property for gas, electricity, water or sewer services furnished to the Property and all other assessments or charges of a similar nature, whether public or private, affecting the Security or any portion thereof, whether or not such taxes, assessments or charges are liens thereon.

Section 4.25. Survival of Warranties. The Mortgagor shall fully and faithfully satisfy and perform the Obligations, and each agreement of the Mortgagor incorporated by reference therein or herein, and any modification or amendment thereof. All representations, warranties and covenants of the Mortgagor contained in the Loan Documents or incorporated therein or herein by reference shall survive the Closing Date and shall remain continuing obligations, warranties and representations of the Mortgagor during any time when any portion of the Obligations secured by this Mortgage remains outstanding.

Section 4.26. Trade Names. At the request of the Mortgagee, the Mortgagor shall execute a certificate in form satisfactory to the Mortgagee listing the trade names which Mortgagor intends to use in connection with the Security, and representing and warranting that the Mortgagor does business under no other trade names with respect to the Security. The Mortgagor shall immediately notify the Mortgagee in

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writing of any change in such trade names, and will, upon request of the Mortgagee, execute any additional financing statements and other certificates revised to reflect the change in trade names.

Section 4.27. Environmental Requirements. The Mortgagor hereby represents and warrants to the Mortgagee that, to the best of the knowledge of the Mortgagor, except as described in the Environmental Report, the Security (including the land, surface soil, subsurface strata, surface water, drinking water supply, ground water, and any improvement thereon including, but not limited to, any facility, building, structure, installation, equipment, pipe or pipeline, well, pit, pond, lagoon, ditch or impoundment) is free and clear of waste or debris and of any contamination from Hazardous Materials (collectively, the "Environmental Requirements"). The Mortgagor shall indemnify and save harmless the Mortgagee for all claims, causes of action, damages, costs and expenses of any nature whatsoever arising out of or resulting from the existence or alleged existence of Hazardous Materials attributable to the operations of the Mortgagor. The Mortgagor further covenants and agrees that, if at any time it is determined that there are Hazardous Materials, which require any collection, storage, treatment or disposal to be conducted or maintained in a specific or general manner, the Mortgagor agrees to take or cause to be taken, at its sole expense, such actions as may be necessary to comply with Federal, State, local or municipal requirements for the collection, storage, treatment or disposal of all Hazardous Materials. If the Mortgagor fails to take such action, the Mortgagee may make advances or payments toward performance or satisfaction of the same, but shall be under no obligation to do so; and all sums so advanced or paid, including all sums advanced or paid in connection with any judicial or administrative investigation or proceeding relating thereto, including without limitation, all attorneys' fees, fines or other penalties, shall be at once repayable by the Mortgagor and shall bear interest at the Default Rate of Interest, from the date the same shall become due and payable until the date paid, and all sums so advanced or paid, with interest aforesaid, shall become a part of the Obligations of the Mortgagor pursuant to this Mortgage.

Section 4.28. Financial Statements and Reports. The Borrower shall furnish to the Lender:

(a) Within one hundred twenty (120) days of the end of each fiscal year of the Borrower, reviewed consolidated financial statements. In addition, the Borrower agrees that it shall promptly furnish to the Lender such additional reports and information deemed appropriate by the Lender in its review of the financial condition of the Borrower, including unconsolidated figures and information on each of the Borrowers. The Lender may, at any time and in its sole discretion, obtain an audit of Borrower's Accounts performed by an independent public accountant selected by the Lender, at the Borrower's cost and expense.

(b) Within one hundred twenty (120) days after timely filing of Federal income tax returns of the Borrower (with all schedules and exhibits).

(c) Such additional information, reports or statements as the Lender may from time to time reasonably request, including, but not limited to, such cash flow projections and financial statements of the Borrower which the Lender may request in its sole and absolute discretion.

(d) If requested by the Lender, contemporaneously with each year-end financial report required to be provided by Paragraph (a) above, a certificate signed by an appropriate authorized representative of the Borrower stating that the signer has individually reviewed the provisions of this Agreement and that a review of the activities of the Borrower during such year has been made by or under the supervision of the signer of such certificate with a view to determining whether the Borrower has observed, and performed all of the Obligations under this Agreement and that, to the best of the signer's knowledge, information and belief, the Borrower is not at the time in default in the observance or performance of any of the terms and conditions hereof or, if the Borrower shall be so in default, specifying all such defaults and events of which the signer may have knowledge. In addition, the Borrower acknowledges and agrees that, on an annual basis, the Lender will cause an annual collateral audit to be conducted by a CPA to be selected by the Lender, at the Borrower's expense.

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Section 4.29. Notice of Existence of Default. The Mortgagor shall promptly advise the Mortgagee of the existence of any condition or event, or the expected existence of any condition or event, which is or which will be with the passage of time or the giving of notice, an Event of Default under this Mortgage or any of the Loan Documents.

Section 4.30. Further Assurances. The Mortgagor agrees to execute such other and further documents, including without limitation, promissory notes, security agreements, agreements, financing statements, continuation statements, and similar instruments as may from time to time, in the sole opinion of the Mortgagee or the Mortgagee's counsel, be necessary, proper or convenient, to perfect, confirm, establish, re-establish, continue or complete the security interest in the Collateral and the purposes and intentions of this Mortgage, it being the intention of the Mortgagor to hereby provide a full and absolute warranty of further assurance to the Mortgagee. In the event the Mortgagor shall fail for any reason to execute, within ten (10) days of the Mortgagee's demand, any document of the aforementioned type which the Mortgagee requests the Mortgagor to execute, the Mortgagor shall and hereby irrevocably and automatically appoints the Mortgagee as the Mortgagor's attorney-in-fact to execute such document in the Mortgagor's name, place and stead and on the Mortgagor's behalf, and such power of attorney shall constitute a power of attorney coupled with an interest and shall be irrevocable unless and until the subject document is fully and effectively executed.

Section 4.31. Advancements. If the Mortgagor shall fail to perform any of the affirmative covenants contained in this Article or to protect or preserve its assets and properties, or if the Mortgagor shall fail to protect or preserve the Collateral or the status and priority of the security interest of the Mortgagee in the Collateral, the Mortgagee may, if the Mortgagor fails to make payments required to be made pursuant to any such covenants or to protect or preserve such assets or properties, make advances to perform the same on behalf of the Mortgagor or to protect or preserve the assets and properties of the Mortgagor or to protect and preserve the Collateral or the status and priority of the security interest of the Mortgagee in the Collateral, and all sums so advanced shall immediately upon advancement become secured by the security interest created by this Mortgage, and the terms and provisions of this Mortgage and all of the Loan Documents. The Mortgagor shall repay on demand all sums so advanced on the Mortgagor's behalf, plus any expenses or costs incurred by the Mortgagee, including attorneys' fees, with interest thereon at the Default Rate of Interest. The provisions of this Section shall not be construed to prevent the institution of the rights and remedies of the Mortgagee upon the occurrence of an Event of Default by the Mortgagor. Notwithstanding anything in this Section to the contrary, the authorization contained in this Section shall impose no duty or obligation on the Mortgagee to perform any action or to make any advancement on behalf of the Mortgagor and is for the sole benefit and protection of the Mortgagee.

Section 4.32. Fair Labor Standards Act. The Mortgagor shall comply in all material respects with the Fair Labor Standards Act of 1938, as amended.

ARTICLE V

NEGATIVE COVENANTS

The Mortgagor covenants and agrees that, during the term of the Loan and until all of the Obligations have been fully performed to the satisfaction of the Mortgagee, it will not do or permit to be done or to cause to occur any of the acts or happenings set forth below without the prior written consent of the Mortgagee.

Section 5.01. Sale or Transfer of Assets. Except as otherwise provided herein, the Mortgagor shall not sell, transfer, lease or otherwise dispose of all or (except in the ordinary course of business for adequate consideration) any material portion of its assets. For purposes of this Section, a sale, transfer, lease or other

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disposition shall be material if it amounts to more than Five Thousand Dollars (\$5,000) when aggregated with all previous sales, transfers, leases and dispositions made by the Mortgagor after the date of this Mortgage.

Section 5.02. Encumbrance of Assets. The Mortgagor shall not mortgage, pledge, assign, grant or permit to exist any liens, claims, encumbrances or security interests in or upon any of its assets of any kind, whether now or hereafter acquired, except for Permitted Liens.

Section 5.03. Guaranties. The Mortgagor shall not become liable, directly or indirectly, as guarantor or otherwise, for any obligation of any other Person, except for the endorsement of commercial paper for deposit or collection in the ordinary course of business.

Section 5.04. Assignment of this Mortgage. The Mortgagor shall not assign or attempt to assign this Mortgage to any Person.

Section 5.05. No Alteration of Structure or Operations. The Mortgagor shall not amend or change materially its capital structure or its line or scope of business, nor shall it engage in business ventures other than those generally consistent with those in which it is presently engaged.

ARTICLE VI

CONDITIONS PRECEDENT TO THE OBLIGATIONS

The Mortgagee shall not be obligated to make any disbursements to the Mortgagor of the Loan Proceeds until it shall have received all of the items or documents referred to in this Article and until the following conditions precedent shall have been fully met and complied with in all respects.

Section 6.01. No Event of Default. No Event of Default shall have occurred hereunder and all representations and warranties set forth herein shall be true and correct.

Section 6.02. Loan Documents. The Loan Documents shall have been duly executed, acknowledged (where required), delivered and recorded (where required), including, but not limited to, landlord waivers acceptable to the Mortgagee from all landlords leasing any property to the Mortgagor.

Section 6.03. Legal Matters. All legal matters incidental to the making of the Loan shall be satisfactory in all respects to the Mortgagee's Counsel, including an opinion of the Mortgagor's counsel in form and content satisfactory to the Mortgagee.

Section 6.04. Delivery of Required Items. The Mortgagor shall have provided to the Mortgagee, not less than ten (10) Business Days prior to the Closing Date, copies of all items, documents or instruments required to be delivered to the Mortgagee prior to the Closing Date, each of which shall in all respects be satisfactory to the Mortgagee and the Mortgagee's counsel.

Section 6.05. Payment of Fees. The Mortgagor shall have delivered to the Mortgagee all the fees required on or before the Closing Date; provided, however, that with respect to any fees to be paid to the Mortgagee by the Mortgagor on an annual basis, the Mortgagor shall be required to pay in advance to the Mortgagee on the Closing Date only that portion of such annual fee which represents the fee for the first annual period. Any annual fees thereafter shall be paid by the Mortgagor directly to the Mortgagee in advance, on or before each anniversary of the Closing Date.

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ARTICLE VII

EVENTS OF DEFAULT

The occurrence of one or more of the following events (herein sometimes referred to as "Events of Default," or singularly an "Event of Default") shall constitute an Event of Default hereunder, and all such Events of Default are individually and collectively included in the term "default" as used herein:

Section 7.01. Failure to Pay Principal and Interest. The Mortgagor shall fail to pay promptly any payment of the Principal Sum or of any interest thereon as and when the same is due and payable in accordance with the terms of the Note.

Section 7.02. Failure to Pay Other Indebtedness. The Mortgagor shall fail to pay promptly any of the other Indebtedness secured hereby as and when the same shall be due and payable in accordance with the terms hereof or of the Note.

Section 7.03. Breach of Representations and Warranties. Any representation, warranty, opinion or statement made by the Mortgagor (or counsel for the Mortgagor) or any other Person herein or in any of the Loan Documents or any certificate, opinion or other writing executed and delivered in connection therewith, shall prove to have been untrue in any material respect at the time made.

Section 7.04. Failure to Comply with Requirements. The Mortgagor shall fail to duly and promptly perform, comply with or observe the terms, covenants, conditions, representations, warranties and agreements set forth herein.

Section 7.05. Other Defaults. The Mortgagor shall fail to duly and promptly perform, comply with or observe any one or more of the other terms, covenants, conditions, agreements and stipulations contained in this Mortgage.

Section 7.06. Default Under Other Loan Documents. An event of default shall occur under any of the other Loan Documents, and such event of default is not cured within any applicable grace period provided therein.

Section 7.07. Receiver; Bankruptcy. The Mortgagor shall (a) apply for, or consent in writing to, the appointment of a receiver, trustee or liquidation of the Mortgagor or of the Security or of all or substantially all of the Mortgagor's other assets, or (b) file, or have filed involuntarily against it and not released within ninety (90) days, a petition for relief in bankruptcy or admit in writing its inability to pay the Mortgagor's debts as they become due, or (c) make a general assignment for the benefit of creditors, or (d) file a petition or an answer seeking a reorganization (other than a reorganization not involving the liabilities of the Mortgagor) or an arrangement with creditors or take advantage of any insolvency law, or (e) file an answer admitting the material allegations of a petition filed against the Mortgagor in any bankruptcy, reorganization or insolvency proceeding, or (f) if not an individual, be dissolved as a result of any adversary suit or proceeding.

Section 7.08. Execution; Attachment. (a) Any execution or attachment shall be levied against the Security, or any part thereof, and such execution or attachment shall not be set aside, discharged or stayed within ninety (90) days after the same shall have been levied, or (b) an order, judgment or decree shall be entered by any court of competent jurisdiction on the application of a creditor adjudicating the Mortgagor a bankrupt or insolvent, or appointing a receiver, trustee or liquidator of the Mortgagor or of the Security, or of all or substantially all of the Mortgagor's other assets, and such order, judgment or decree shall continue

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unstayed and in effect for a period of ninety (90) days or shall not be discharged within ninety (90) days after the expiration of any stay thereof.

Section 7.09. Judgment. Unless adequately insured in the sole opinion of the Mortgagee, the entry of a final judgment against the Mortgagor for the payment of money in excess of Fifteen Thousand Dollars (\$15,000) which remains unpaid, undischarged, unbonded or undismissed for a period of thirty (30) days from the date of the order, decree or process under which or pursuant to which such judgment was entered, or to secure a stay of execution pending appeal of such judgment.

Section 7.10. Change in Zoning. Any change in any zoning ordinance or regulation or any other public restriction shall be enacted, adopted or implemented, limiting the uses which may be made of the Property, or any portion thereof, such that the intended use of the Property, as specified in the Loan Documents, would be in violation of such zoning ordinance or regulation or public restriction, as changed.

Section 7.11. Default Under Other Mortgages or Deeds of Trust. An Event of Default (as defined therein) should exist or occur under any other mortgage, deed of trust or other instrument encumbering all or any portion of the Security regardless of whether or not the creation of such mortgage, deed of trust or other encumbrance has been previously consented to by Mortgagee.

ARTICLE VIII

RIGHTS AND REMEDIES

If one or more of the Events of Default set forth in Article VII above shall occur, then in each and every such case, the Mortgagee, may at any time thereafter exercise any or all of the following powers, privileges, discretions, rights or remedies:

Section 8.01. Acceleration. Declare (without notice to the Mortgagor) the entire unpaid balance of the Principal Sum of the Note and all other Indebtedness secured hereby to be immediately due and payable, whereupon the same, together with interest and any other charges accrued or due thereon and unpaid, shall forthwith become due and payable, without presentment, demand, protest or notice of protest or of dishonor, all of which the Mortgagor hereby waives.

Section 8.02. Foreclosure. Take possession of and sell the Property, or any part thereof requested by the Mortgagee to be sold, subject to any Lease of all or any part of the Property which the Mortgagee elects and so advertise in accordance with Section 7-105(f) of the Real Property Article of the Annotated Code of Illinois or any substitutions or replacements thereto, and in connection therewith the Mortgagor hereby (a) ASSENTS TO THE PASSAGE OF A DECREE FOR THE SALE OF THE PROPERTY BY THE EQUITY COURT HAVING JURISDICTION AND (b) AUTHORIZES AND EMPOWERS THE MORTGAGEE TO TAKE POSSESSION OF AND TO SELL (OR IN CASE OF ANY DEFAULT OF ANY PURCHASER TO RESELL) THE PROPERTY, OR ANY PART THEREOF, all in accordance with the laws of the State of Illinois or rule of court relating to deeds of trust, including any amendments thereof, or additions thereto, which do not materially change or impair such remedy. In connection with any foreclosure, the Mortgagees may procure such title reports, surveys, tax histories and appraisals as they deem necessary, and all costs and expenses incurred in connection therewith shall be payable by the Mortgagor. In case of any sale under this Mortgage, by virtue of judicial proceedings or otherwise, the Property may be sold as an entirety or in parcels, by one sale or by several sales, as may be deemed by the Mortgagee to be appropriate and without regard to any right of the Mortgagor or any other Person to the marshalling of assets. Any sale hereunder may be made at public auction, at such time or times, at such place or places, and upon such terms and conditions and after such previous public notice as the Mortgagees shall deem appropriate and advantageous and as required by law. Upon the terms of such sale being complied with, the Mortgagee shall convey to, and at the cost of, the purchaser or purchasers the interest of the Mortgagor in the Property so sold, free and discharged of and from all estate, title or interest of the Mortgagor, at law or in equity, such purchaser or purchasers being

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hereby discharged from all liability to see to the application of the purchase money. The proceeds of such sale or sales under this Mortgage, whether under the assent to a decree, the power of sale, or by equitable foreclosure, shall be held by the Mortgagee and applied as follows: First, to pay all costs, charges and expenses attending the execution of this trust, of taking possession of the Property or any part thereof, or any sale made as aforesaid, including but not limited to (a) counsel fees of \$5,000 to the attorneys representing the Mortgagee for conducting the proceedings if without contest, but if legal services be rendered to the Mortgagee or the Mortgagee in connection with any contested matter in the proceedings, then such other counsel fees and expenses shall be allowed and paid out of the proceeds of such sale or sales as the court having jurisdiction may deem proper, and (b) a Mortgagee's commission equal to the commission allowed trustees for making sales of property under decrees of the equity court having jurisdiction; Second, to pay all Indebtedness secured hereby including all interest then due and accrued thereon, which shall include interest through the date of ratification of the auditor's account, in such order and manner as the Mortgagee in its sole discretion may determine; and Lastly, to pay the surplus, if any, to the Mortgagor or any Person entitled thereto upon surrender and delivery to the purchaser or purchasers of the Property. Immediately upon the filing of any foreclosure proceedings under this Mortgage, there shall be and become due and owing by the Mortgagor all expenses incident to any foreclosure proceedings under this Mortgage and a commission on the total amount of the Indebtedness then due equal to one-half of the percentage allowed as commission to trustees making sales under orders or decrees of the equity court having jurisdiction, and no Person shall be required to receive only the aggregate Indebtedness then secured hereby with interest thereon to the date of payment unless the same be accompanied by a tender of such expenses, costs and commission.

Section 8.03. Receiver. As a matter of right and to the extent permitted by law, without notice to the Mortgagor, and without regard to the adequacy of the security, and upon application to a court of competent jurisdiction, the Mortgagee shall be entitled to the immediate appointment of a receiver for all or any part of the Security, and of the rents, income, profits, issues and proceeds thereof and therefrom, whether such receivership be incidental to a proposed sale of the Security or otherwise, and the Mortgagor hereby consents to the appointment of such a receiver. The Mortgagor will pay to the Mortgagee, upon demand, all expenses, including receiver's fees, attorneys' fees, costs and agents' compensation, advanced by the Mortgagee and incurred pursuant to this Section; and all such expenses shall be (a) a lien against and upon the Security, (b) added to the Indebtedness secured by this Mortgage, and (c) payable on demand with interest at the default rate of interest under the Note from and including the date each such advance is made.

Section 8.04. Entry and Operation. To the extent permitted by law, and with or without the appointment of a receiver or an application therefor, enter upon, and take possession of (and the Mortgagor shall surrender actual possession of) the Property or any part thereof, without notice to the Mortgagor and without bringing any legal action or proceeding, or, if necessary by force, legal proceedings, ejectment or otherwise, and may remove and exclude the Mortgagor and its agents and employees and all other Persons therefrom, and having and holding the same may make all necessary or proper repairs, replacements and useful or required alterations, additions, betterments or improvements to or upon the same, operate, maintain, control, make secure and preserve the same and receive all earnings, income, profits, rents (including rents accrued and unpaid) and proceeds accruing with respect thereto or any part thereof, such earnings, income, profits, rents and proceeds being hereby assigned to the Mortgagee as additional security for the repayment of the Indebtedness. In so doing, the Mortgagee or its designees shall have the right to manage the Property and to carry on the business of the Mortgagor and may exercise all of the rights and powers of the Mortgagor, either in the name of the Mortgagor, or otherwise, including, but without limiting the generality of the foregoing, the right to lease the Property or any part thereof, to cancel, modify, renew or extend any Lease and to complete the construction of any unfinished improvements. The Mortgagee shall be under no liability for or by reason of any such taking of possession, entering, holding, removal, maintaining, operating or managing, except for the Mortgagee's gross negligence or willful misconduct. Any amounts so received by the Mortgagee or the Mortgagee shall be applied (i) first, to pay all costs and expenses of so entering upon, taking possession of, holding, operating, maintaining, preserving and managing the Property or any part thereof including, but not in limitation of the foregoing, reasonable

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compensation to the attorneys, employees or agents of the Mortgagee engaged or employed with regard thereto, (ii) second, to pay the cost and expense of all repairs, renewals, replacements, alterations, additions, betterments and improvements to or upon the Property or any part thereof, and (iii) the balance, if any, to such part of the Indebtedness as selected by the Mortgagee. The Mortgagor shall pay on demand to the Mortgagee the amount of any deficiency between (1) the amounts so received by the Mortgagee and (2) all moneys paid or advanced and all costs and expenses incurred (including without limitation attorneys' fees and expenses) by the Mortgagee in exercising the rights provided in this Section, and the same shall bear interest at a rate equal to five percent (5%) in excess of the then applicable interest rate provided in the Note from the date such advance is made and shall be a part of the Indebtedness secured hereby. The exercise of the remedies provided in this Section shall not cure or waive any Event of Default or notice of an Event of Default hereunder or invalidate any act done pursuant to such notice, and the enforcement of such remedies, once commenced, shall continue for so long as the Mortgagee shall elect, notwithstanding the fact that the exercise of such remedies may have, for a time, cured the original Event of Default.

Section 8.05. Other Remedies. The Mortgagee, or at the Mortgagee's election, the Mortgagee, shall have the right from time to time to enforce any legal or equitable remedy against the Mortgagor and to sue the Mortgagor for any sums whether interest, damages for failure to pay principal or any installments thereof, Taxes, or any other sums required to be paid under the terms of this Mortgage, as the same become due, without regard to whether or not the Principal Sum secured or any other Indebtedness secured by this Mortgage shall be due, and without prejudice to the right of the Mortgagee thereafter to enforce any appropriate remedy against the Mortgagor, including an action of foreclosure, or any other action, including an action for specific performance, for a default or defaults by the Mortgagor existing at the time such earlier action was commenced. Nothing contained in this Mortgage shall preclude the Mortgagee from exercising or enforcing any rights it may now or hereafter have under or pursuant to any separate instrument of guaranty.

Section 8.06. U.C.C. Proceed under the U.C.C. as to all or any part of the Security which may come under the jurisdiction of the U.C.C., and in conjunction therewith to exercise all of the rights, remedies and powers of a Mortgagee under the U.C.C. Upon the occurrence of any Event of Default hereunder, the Mortgagor shall assemble all of the Security which may come under the jurisdiction of the U.C.C. and make the same available on the Property. Any notification required by Section 9-504 of the U.C.C. shall be deemed reasonably and properly given if mailed certified mail, return receipt requested, postage prepaid, by the Mortgagee to the Mortgagor at the address specified at least five (5) days before any sale or other disposition of such Security, or any portion thereof. Disposition of such Security or any portion thereof shall be deemed commercially reasonable if made pursuant to a public offering advertised at least twice in a newspaper of general circulation in the community where the Property is located.

Section 8.07. Remedies, etc. Cumulative. Each right, power and remedy of the Mortgagee or the Mortgagee as provided for in this Mortgage or in any of the other Loan Documents, shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Mortgage or in any of the other Loan Documents, and the exercise or beginning of the exercise by the Mortgagee or the Mortgagee of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by the Mortgagee or the Mortgagee of any or all such other rights, powers or remedies.

Section 8.08. No Waiver, etc. NO FAILURE OR DELAY BY THE MORTGAGEE TO INSIST UPON THE STRICT PERFORMANCE OF ANY TERM, CONDITION, COVENANT OR AGREEMENT OF THIS MORTGAGE OR OF ANY OF THE OTHER LOAN DOCUMENTS, OR TO EXERCISE ANY RIGHT, POWER OR REMEDY CONSEQUENT UPON A BREACH THEREOF, SHALL CONSTITUTE A WAIVER OF ANY SUCH TERM, CONDITION, COVENANT OR AGREEMENT OR OF ANY SUCH BREACH, OR PRECLUDE THE MORTGAGEE FROM EXERCISING ANY SUCH RIGHT, POWER OR REMEDY AT ANY LATER TIME OR TIMES. BY ACCEPTING PAYMENT AFTER THE DUE DATE OF ANY AMOUNT PAYABLE UNDER THIS MORTGAGE OR UNDER ANY OF THE OTHER LOAN DOCUMENTS MORTGAGEE SHALL NOT BE DEEMED TO HAVE WAIVED

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THE RIGHT EITHER TO REQUIRE PROMPT PAYMENT WHEN DUE OF ALL OTHER AMOUNTS PAYABLE UNDER THIS MORTGAGE OR UNDER ANY OF THE OTHER LOAN DOCUMENTS, OR TO DECLARE A DEFAULT FOR FAILURE TO EFFECT SUCH PROMPT PAYMENT OF ANY SUCH OTHER AMOUNT. NEITHER THE MORTGAGOR NOR ANY OTHER PERSON NOW OR HEREAFTER OBLIGATED FOR THE PAYMENT OF THE WHOLE OR ANY PART OF THE INDEBTEDNESS NOW OR HEREAFTER SECURED BY THIS MORTGAGE SHALL BE RELIEVED OF SUCH OBLIGATION BY REASON OF THE FAILURE OF THE MORTGAGEE TO COMPLY WITH ANY REQUEST OF THE MORTGAGOR OR OF ANY OTHER PERSON SO OBLIGATED TO TAKE ACTION TO FORECLOSE THIS MORTGAGE OR OTHERWISE ENFORCE ANY OF THE PROVISIONS OF THIS MORTGAGE OR OF ANY OBLIGATIONS SECURED BY THIS MORTGAGE, OR BY REASON OF ANY AGREEMENT OR STIPULATION BETWEEN ANY SUBSEQUENT OWNER OR OWNERS OF THE SECURITY OR ANY PART THEREOF, OR BY THE MORTGAGEE EXTENDING THE TIME OF PAYMENT OR MODIFYING THE TERMS OF THE NOTE OR THIS MORTGAGE WITHOUT FIRST HAVING OBTAINED THE CONSENT OF THE MORTGAGOR OR SUCH OTHER PERSON, AND IN THE LATTER EVENT, THE MORTGAGOR AND ALL SUCH OTHER PERSONS SHALL CONTINUE LIABLE TO MAKE SUCH PAYMENTS ACCORDING TO THE TERMS OF ANY SUCH AGREEMENT OF EXTENSION OR MODIFICATION UNLESS EXPRESSLY RELEASED AND DISCHARGED IN WRITING BY THE MORTGAGEE. REGARDLESS OF CONSIDERATION, AND WITHOUT THE NECESSITY FOR ANY NOTICE TO OR CONSENT BY THE HOLDER OF ANY SUBORDINATE LIEN ON THE SECURITY, THE MORTGAGEE MAY RELEASE THE OBLIGATION OF ANY PERSON AT ANY TIME LIABLE FOR ANY OF THE INDEBTEDNESS SECURED BY THIS MORTGAGE OR ANY PART OF THE SECURITY AND MAY EXTEND THE TIME OF PAYMENT OR OTHERWISE MODIFY THE TERMS OF THE NOTE OR THIS MORTGAGE WITHOUT, AS TO THE SECURITY OR THE REMAINDER THEREOF, IN ANYWISE IMPAIRING OR AFFECTING THE LIEN AND/OR SECURITY INTEREST OF THIS MORTGAGE OR THE PRIORITY OF SUCH LIEN AND/OR SECURITY INTEREST, AS SECURITY FOR THE PAYMENT OF THE INDEBTEDNESS AS IT MAY BE SO EXTENDED OR MODIFIED, OVER ANY SUBORDINATE LIEN. THE HOLDER OF ANY SUBORDINATE LIEN SHALL HAVE NO RIGHT TO TERMINATE ANY LEASE AFFECTING THE SECURITY WHETHER OR NOT SUCH LEASE IS SUBORDINATE TO THIS MORTGAGE. THE MORTGAGEE MAY RESORT FOR THE PAYMENT OF THE INDEBTEDNESS SECURED HEREBY TO THE PROPERTY OR TO ANY OF THE OTHER SECURITY IN SUCH ORDER AND MANNER AS THE MORTGAGEE MAY ELECT.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Payment by Others. Any payment of the Indebtedness or any part thereof made in accordance with the terms of this Mortgage or of the Note by any subsequent owner of the Security, or by any other Person whose interest in the Security might be prejudiced in the event of a failure to make such payment, or by any stockholder, officer or director of a corporation which at any time may be liable for such payment or may own or have such an interest in the Security, shall be deemed as between the Mortgagee and all Persons who at any time may be liable as aforesaid or may own or have an interest in the Security, to have been made on behalf of such Persons.

Section 9.02. Notices. All notices, demands, requests, consents, or approvals required under this Mortgage to be in writing, shall be deemed to have been properly given if and when mailed by first class certified mail, return receipt requested, postage prepaid, as follows:

If to the Mortgagee:	CUSTOMERS BANK 99 Bridge Street Phoenixville, PA 19460 Attn: Jerry Price, VP, Government Guaranteed Lending
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with a copy to:	LEE RILEY LAW, LLC
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405 Gorham Avenue
Wilmington NC 28409
Attn: K. Lee Riley, Jr., Esquire

If to the Mortgagor: ERIC and VICTORIA SALUD
2543 W. SUPERIOR STREET
CHICAGO, IL 60612

Section 9.03. Definitions. Wherever used in this Mortgage, unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, the word "Mortgage" shall mean this Mortgage and any supplement or supplements hereto, and pronouns of any gender shall include the other genders, and either the singular or plural shall include the other. The Mortgagee may release, compromise, modify or settle with any of the Mortgagor, in whole or in part, without impairing, lessening or affecting the obligations and liabilities of the others of the Mortgagor hereunder or under the Note. Any of the acts mentioned aforesaid may be done without the approval or consent of, or notice to, any of the Mortgagor.

Section 9.04. Successors and Assigns. All of the grants, covenants, terms, provisions and conditions herein shall run with the Land and shall apply to, and bind the successors and assigns of the Mortgagor (including any permitted subsequent owner of the Security or any portion thereof) and inure to the benefit of the Mortgagee, its successors and assigns.

Section 9.05. Amendments. This Mortgage may not be modified or amended except by an agreement in writing, signed by the party against whom enforcement of the change is sought.

Section 9.06. Illegality. If fulfillment of any provision hereof or any transaction related hereto or to the Note, at the time performance of such provisions shall be due, shall involve transcending the limit of validity prescribed by law, then the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provisions herein contained, other than the provisions requiring the Mortgagor to pay interest, principal, principal and interest, or any other of the Indebtedness secured by this Mortgage, operates or would prospectively operate to invalidate this Mortgage in whole or in part, then such clause or provision only shall be void, as though not herein contained, and the remainder of this Mortgage shall remain operative and in full force and effect; and if such clause or provision requires the Mortgagor to pay interest, principal, principal and interest or any other of the Indebtedness secured by this Mortgage, then at the option of the Mortgagee, the entire unpaid Principal Sum, with all unpaid interest, accrued thereon and all other unpaid Indebtedness secured by this Mortgage shall become due and payable.

Section 9.07. Governing Law. This Mortgage is being executed and delivered in the State and shall be construed, governed and enforced in accordance with the laws in effect from time to time in the State of Illinois (exclusive of conflicts of laws provisions).

Section 9.08. Entire Agreement. This Mortgage constitutes the entire agreement as to the matters contained herein.

Section 9.09. Waiver of Jury Trial. THE LENDER AND THE BORROWER EACH HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH THE MORTGAGEE OR THE MORTGAGOR MAY BE PARTIES, ARISING OUT OF, OR IN ANY WAY PERTAINING TO, THIS AGREEMENT. IT IS AGREED THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY THE MORTGAGEE AND THE MORTGAGOR, AND THE MORTGAGEE AND THE MORTGAGOR EACH HEREBY REPRESENT THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. BOTH THE MORTGAGOR AND THE MORTGAGEE FURTHER REPRESENT THAT THE

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MORTGAGOR AND THE MORTGAGEE HAVE BEEN REPRESENTED IN THE SIGNING OF THIS AGREEMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF EACH OF THE MORTGAGOR'S AND THE MORTGAGEE'S OWN FREE WILL, AND THAT THE MORTGAGOR AND THE MORTGAGEE HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

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

a) When SBA is the holder of the Note, this document and all documents evidencing or securing this Loan will be construed in accordance with federal law.

b) Lender or SBA may use local or state procedures for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. No Borrower or Guarantor may claim or assert against SBA any local or state law to deny any obligation of Borrower, or defeat any claim of SBA with respect to this Loan.

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

IN WITNESS WHEREOF, the Mortgagor has caused this Mortgage to be executed under seal by its duly authorized representative as of the date first written above.

WITNESS/ATTEST:

Patricia Ann Dodd
Patricia Ann Dodd
Patricia Ann Dodd
Patricia Ann Dodd

Eric Salud
ERIC SALUD
Victoria Salud
VICTORIA SALUD

STATE OF ILLINOIS, CITY/COUNTY OF Cook TO WIT:

I HEREBY CERTIFY, that on this 31st day of August, 2018, before me, the undersigned Notary Public of said State, personally appeared ERIC SALUD and VICTORIA SALUD, who acknowledged themselves, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same for the purposes therein contained.

WITNESS my hand and Notarial Seal.

My Commission Expires:
4/10/2022

Patricia Ann Dodd
Notary Public

AFTER RECORDATION, PLEASE RETURN TO:
Lee Riley Law, LLC
4905 Gorham Avenue
Wilmington NC 28409
Attn: K. Lee Riley, Jr., Esquire



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EXHIBIT A

Description of Property

Lot 68 in Subdivision of Block 2 in Wright and Websters Subdivision of the Northeast ¼ of Section 12, Township 39 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel Number: 16-12-206-007-0000

Property of Cook County Clerk's Office

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EXHIBIT B List of Collateral

1. All building materials, furniture, fixtures, machinery, equipment and tangible personal property of every kind and nature whatsoever (other than consumable goods, inventory, and trade fixtures or other personal property owned by tenants occupying all or any portion of the Improvements), now or hereafter located or contained in or upon or attached to (or intended to be located or contained in or upon or attached to) the Land or the Improvements or any part thereof, and used or usable in connection with any present or future use or operations of the Land or the Improvements or any part thereof (collectively, the "Equipment"), including, without limitation, all heating, air-conditioning, air-cooling, freezing, lighting, laundry, incinerating, plumbing, cleaning, fire prevention, fire extinguishing, ventilating, communications and power apparatus and equipment, engines, pipes, tanks, motors, conduits, switchboards, boilers, ranges, furnaces, oil burners or units thereof, appliances, vacuum cleaning systems, shades, awnings, screens, storm doors and windows, stoves, microwave ovens, refrigerators, washing machines, dryers, garbage disposals, hoods, fans, trash compactors, attached cabinets, partitions, ducts and compressors, rugs and carpets, draperies, furnishings, electrical apparatus, sound transmission systems, shelving, storage facilities and other apparatus.

2. All judgments, awards of damages (including but not limited to severance and consequential damages), payments, proceeds, settlements or other compensation heretofore or hereafter made, including interest thereon, and the right to receive the same, as a result of, in connection with, or in lieu of (a) any taking of the Property or any part thereof under the power of eminent domain, either temporarily or permanently, (b) any change or alteration of the grade of any street, and (c) any injury or damage to, or decrease in value of, the Property or any part thereof and including payments, proceeds, settlements or other compensation heretofore or hereafter made, including any interest thereon, and the right to receive the same, from any and all insurance policies covering the Property or any portion thereof (collectively, the "Awards", or singularly an "Award"), to the extent of all indebtedness which may be secured by the Mortgage at the date of receipt of any such Award by the Secured Party, and of the counsel fees, costs and disbursements, if any, incurred by the Secured Party in connection with the collection of such Award.

3. All rents, royalties, issues, profits, revenues, income, accounts (including any funds or accounts held by the Secured Party for or for the account of Debtor), accounts receivable, contract rights (including those assigned pursuant to the Assignments of Contracts), general intangibles, compensation, contributions, things in action, chattel paper, instruments, mortgages, and other benefits of the Property, or arising from the use or enjoyment of all or any portion thereof, or from any Leases, or other agreement, and all right, title and interest of the Debtor in and to, and remedies under, all Leases and other agreements both now in existence and hereafter entered into, including, without limitation, all cash or security deposits thereunder or guaranties provided to secure performance by the Lessees or other obligors of their obligations thereunder, whether such cash or security deposits are to be held until the expiration of the terms of such Leases or other agreements or are to be applied to one or more of the installments of rent or other payments or performance obligations coming due immediately prior to the expiration of such terms.

4. All funds and/or accounts (including the escrow account and for any other funds or accounts now or hereafter held by the Secured party for, or for the account of, Debtor) that the Secured Party is entitled, now or hereafter, to hold as security for the Loan and/or a result of the exercise by the Secured Party of any set-off rights and in any and all segregated funds, securities, instruments, documents and other property held, whether now or hereafter, by the Secured Party as security for the Loan and/or a result of the exercise by the Secured Party of its rights under any assignment, pledge or security interest granted by the Debtor to secure its obligations under the Loan Agreement and/or the Mortgage.

All capitalized terms used in this Exhibit have the meanings given such terms herein or, if not defined herein as defined in the Mortgage. In the event this Exhibit is attached (a) to the Mortgage, the term "Debtor" means the Mortgagor, and the term "Secured Party" means the Mortgagee; or (b) to the Loan Agreement, the term "Debtor" means the Borrower, and the term "Secured Party" means the Lender.