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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Report Mortgage Fraud

844-768-1713

8985932 2064



1903245050

Doc# 1903245050 Fee \$78.00

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

EDWARD M. MOODY

COOK COUNTY RECORDER OF DEEDS

DATE: 02/01/2019 03:14 PM PG: 1 OF 21

The property identified as: PIN: 17-04-315-007-0000

Address:

Street: 901 & 904 N. Halsted

Street line 2:

City: Chicago

State: IL

ZIP Code: 60642

Lender: CITIBANK, N.A.

Borrower: ONNI HALSTED STREET CHICAGO LLC

Loan / Mortgage Amount: \$20,900,000.00

This property is located within the program area and is exempt from the requirements of 705 ILCS 77/70 et seq. because it is commercial property.

Certificate number: 8ABC8503-09B2-4FA9-845C-BF6FF766A896

Execution date: 1/31/2019

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U. S. Department of State

GENERAL AUTHENTICATION CERTIFICATE

VENUE

CANADA

Country

PROVINCE OF BRITISH COLUMBIA

State, Province, etc.

CITY OF VANCOUVER

City

U.S. CONSULATE GENERAL

Name of Consular Post

I certify that the official named below, whose true signature and official seal are, respectively, subscribed and affixed to the annexed document, was, on this day, empowered to act in the official capacity designated in the annexed document, to which faith and credit are due.

Jon Bunyan

Typed Name of Affiant

Signature of Consular Officer

Eric Bratt

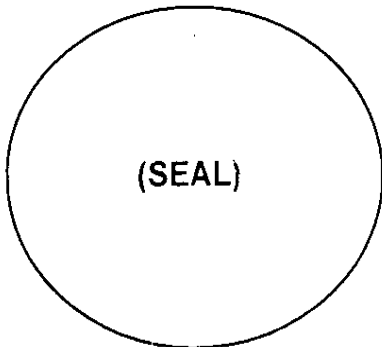
Typed Name of Consular Officer

Vice Consul of the United States of America

Title of Consular Officer

01-22-2019

Date (mm-dd-yyyy)



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RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Real Estate Law Group LLP
2330 Marinship Way, Suite 211
Sausalito, CA 94965
Attention: T. Scott Bucey

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made as of January 31, 2019, by ONNI HALSTED STREET CHICAGO LLC, a Delaware limited liability company ("Mortgagor"), as mortgagor, whose address is c/o Onni Group of Companies, 200 - 1010 Seymour Street, Vancouver, BC, V6B 3M6, Canada, to CITIBANK, N.A., a national banking association ("Lender"), whose address is 153 East 53rd Street, New York, New York 10043.

This document serves as a Fixture Filing under the Illinois Uniform Commercial Code.

Mortgagor's Organizational Number is 7180539 (Delaware).

WITNESSETH

A. Pursuant to that certain loan agreement of even date herewith (as the same may be amended or modified from time to time, the "Loan Agreement") between Mortgagor and Lender, Lender has agreed to make a loan (the "Loan") to Mortgagor in the principal amount of Twenty Million Nine Hundred Thousand and 00/100ths United States Dollars (\$20,900,000.00). Capitalized terms used, but not otherwise defined, herein shall have the respective meanings set forth in the Loan Agreement.

B. The Loan is evidenced by that certain promissory note of even date herewith in the amount of the Loan, executed by Mortgagor to the order of Lender (as the same may be amended, supplemented, restated or otherwise modified, and including any substitutions or replacements of such note including in connection with the division of the note into two or more components and/or separate notes, collectively, the "Note").

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NOW, THEREFORE, in consideration of Lender making the Loans to Mortgagor, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor agrees as follows:

ARTICLE I GRANT

1.1 Grant. For the purposes of and upon the terms and conditions of this Mortgage, Mortgagor irrevocably GRANTS, BARGAINS, SELLS, CONVEYS and ASSIGNS to Lender all present and future estate, right, title and interest which Mortgagor now has or may hereafter acquire in, to, under or derived from any or all of the following (the "Mortgaged Property"); and Mortgagor does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND the title thereto unto Lender and its successors, substitutes and assigns:

- (a) All that certain real property located at 901 and 904 Halsted Street, Chicago, Illinois, as more particularly described in Exhibit A attached hereto (the "Property");
- (b) All estate, right, title and interest of Mortgagor in and to any and all buildings, improvements, appurtenances and fixtures of any kind located on the Property, now existing or hereafter constructed including but not limited to all apparatus, equipment and appliances used in connection with the operation or occupancy of the Property, such as heating and air conditioning systems and facilities used to provide any utility services, refrigeration, ventilation, or other services on the Property, and all window coverings, drapes and rods, carpeting and floor coverings, it being intended and agreed that all such items will be conclusively considered to be a part of Mortgagor's real property estate conveyed by this Mortgage, whether or not attached or affixed to the Property (the "Improvements");
- (c) All appurtenances, easements, rights of way and other privileges or rights relating to the Property and Improvements, together with any present or future interest of Mortgagor in the Property or in any other land or property arising by or constructed on the Property;
- (d) All leases, subleases and subtenancies, occupancy agreements and concessions affecting the Property and the Improvements, including, without limitation, all rents, royalties, income and profits arising from the Property and the Improvements or from any lease, subleases, subtenancies, occupancy agreements or concessions, including without limitation, any security deposits, and any and all letters of credit furnished by any tenant thereunder;
- (e) All interest of Mortgagor in and to any condemnation awards, insurance proceeds, or any causes of action, damages or recoveries relating to all or any portion of the Property, or Mortgagor's fee estate;
- (f) All minerals, oil, gas and other hydrocarbon substances on the Property, as well as to any development rights, air rights, solar rights, water, water rights, and water stock relating to the Property;
- (g) All goods located on the Property which are owned by Mortgagor and used in the operation or occupancy of the Property or in any construction on the Property but

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which are not effectively made real property under clause (b) above, including but not limited to all appliances, building service equipment, and building materials, supplies and equipment but excluding all furniture and furnishings;

(h) All general intangibles owned by Mortgagor relating to the development or use of the Property, including but not limited to all governmental permits relating to construction on the Property, all names under or by which the Property or any of the Improvements may at any time be operated or known and all rights to carry on business under any such names or any variant thereof, and all trademarks and good will in any way relating to the Property;

(i) All contracts related to the repair, maintenance and operation of the Mortgaged Property, including, without limitation, all contracts related to property management, maintenance, utilities and security;

(j) Any Interest Rate Agreements; and

(k) All proceeds, products and substitutions of any of the foregoing.

1.2 Obligations Secured. This Mortgage secures:

(a) The payment and performance of Mortgagor's indebtedness and obligations under the Note;

(b) The payment and performance of all of Mortgagor's other obligations under the Loan Agreement and the other Loan Documents;

(c) Any and all modifications, extensions and renewals of the Loan or to the Note or Loan Agreement;

(d) The payment of all sums advanced or paid out by Lender under any provision of this Mortgage or to protect the security of this Mortgage;

(e) The payment of the principal and interest on all other future loans or advances made by Lender to Mortgagor (or any successor in interest to Mortgagor) when any document evidencing the loan or advance specifically states that it is secured by this Mortgage ("Future Advances"), including all extensions, renewals and modifications of any Future Advances; and

(f) The repayment of any Obligatory Advances and any amounts advanced by Lender to repay amounts owing by Mortgagor or any Affiliate of Mortgagor to Lender or any Affiliate of Lender under an Interest Rate Agreement.

ARTICLE II COVENANTS OF MORTGAGOR

To protect the security of this Mortgage, Mortgagor covenants for the benefit of Lender as follows:

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2.1 Payment of Indebtedness. Mortgagor shall pay and perform all indebtedness and obligations that are secured by this Mortgage in accordance with any of the agreements or covenants set forth herein.

2.2 Insurance. Mortgagor shall maintain in force on the Mortgaged Property all policies of insurance required under the Loan Agreement.

2.3 Payment of Taxes; Claims. Mortgagor shall pay prior to delinquency all taxes and assessments which are or may become a lien on the Mortgaged Property or which are assessed against the Mortgaged Property or its rents, royalties, profits and income. Subject to its rights to contest the same pursuant to the Loan Agreement, Mortgagor shall pay prior to delinquency all lawful claims and demands of mechanics, materialmen, laborers and others for any work performed or materials delivered for the Mortgaged Property.

2.4 Waste; Maintenance and Repair. Mortgagor shall not commit any waste on the Property or the Mortgaged Property or take any actions that might invalidate any insurance carried on the Property or the Mortgaged Property. Mortgagor will maintain the Property and the Mortgaged Property in good condition and repair. No Improvements may be removed, demolished or materially altered without the prior written consent of Lender.

2.5 Change in Use; Compliance with Laws. Without the prior written consent of Lender, Mortgagor shall not seek, make or consent to any change in the zoning or conditions of use of the Property or any Improvements which would impair the ability of Mortgagor or its tenants to conduct business on the Property as presently conducted. Mortgagor shall comply with and make all payments required under the provisions of any covenants, conditions or restrictions affecting the Property or the Mortgaged Property. Mortgagor shall comply with all existing and future requirements of all governmental authorities having jurisdiction over the Property or the Mortgaged Property.

2.6 Actions Affecting Lender's Security. Mortgagor shall, at its own expense, appear in and defend any action or proceeding that might affect Lender's security or the rights or powers of Lender or that purports to affect the Property or any of the Mortgaged Property. If Mortgagor fails to perform any of its covenants or agreements contained in this Mortgage, or if any action or proceeding of any kind (including but not limited to any bankruptcy, insolvency, arrangement, reorganization or other debtor relief proceeding) is commenced which might affect Lender's interest in the Property or the Mortgaged Property or Lender's right to enforce its security, then Lender may, at its option, make any appearances, disburse any sums and take any actions as may be necessary or desirable to protect or enforce the security of this Mortgage or to remedy the failure of Mortgagor to perform its covenants (without, however, waiving any default of Mortgagor). Mortgagor agrees to pay all costs and expenses of Lender thus incurred (including but not limited to reasonable fees and disbursements of outside counsel). Any sums disbursed or advanced by Lender pursuant to this Section 2.6 will be additional indebtedness of Mortgagor secured by this Mortgage, and will be payable by Mortgagor upon demand. Any such sums so disbursed or advanced by Lender pursuant to this Section 2.6 will bear interest at a rate equal to the Default Rate as set forth in the Note, and any such sums so disbursed or advanced by Lender will bear interest at the maximum rate permitted to be charged by Lender under applicable law.

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This paragraph will not be construed to require Lender to incur any expenses, make any appearances, or take any actions.

2.7 Special Purpose Tax District. Without obtaining the prior written consent of Lender, Mortgagor shall not consent to, or vote in favor of, the inclusion of all or any part of the Mortgaged Property in any "special district" or other special purpose tax district of any kind. Mortgagor shall immediately give notice to Lender of any notification or advice that Mortgagor may receive from any municipality or other third party of any intent or proposal to include all or any part of the Mortgaged Property in a special purpose tax district. Lender shall have the right to file a written objection to the inclusion of all or any part of the Mortgaged Property in a special purpose tax district, either in its own name or in the name of Mortgagor, and to appear at, and participate in, any hearing with respect to the formation of any such district.

ARTICLE III CASUALTY AND CONDEMNATION

All insurance proceeds on the Mortgaged Property, and all causes of action, claims, compensation, awards and recoveries for any damage, condemnation or taking of all or any part of the Mortgaged Property or for any damage or injury to it or for any loss or diminution in value of the Mortgaged Property, are hereby assigned to and shall be paid to Lender. In the event of the occurrence of any casualty affecting the Mortgaged Property, the settlement of all insurance claims and the application of insurance proceeds shall be governed by Article 8 of the Loan Agreement.

ARTICLE IV ASSIGNMENT OF LEASES AND RENTS

4.1 Assignment. As additional security for the payment and performance by Mortgagor of the indebtedness and obligations secured by this Mortgage, Mortgagor hereby absolutely, presently, unconditionally and irrevocably assigns to Lender all of the existing and future leases and other occupancy agreements and all existing and future rents, royalties, income and profits of the Mortgaged Property that arise from its use or occupancy.

4.2 Revocable License. Until an Event of Default shall have occurred, Mortgagor shall have a license to collect and receive those rents, royalties, income and profits. Upon the occurrence of an Event of Default, Lender may terminate Mortgagor's license in its discretion at any time upon notice to Mortgagor and may thereafter collect the rents, royalties, income and profits itself or by an agent or receiver. No action taken by Lender to collect any rents, royalties, income or profits will make Lender a "mortgagee in possession" of the Mortgaged Property, unless Lender personally or by agent enters into actual possession of the Mortgaged Property. Possession by a court appointed receiver will not be considered possession by Lender. All rents, royalties, income and profits collected by Lender or a receiver will be applied first to pay all expenses of collection, and then to the payment of all costs of operation and management of the Mortgaged Property, and then to the payment of the indebtedness and obligations secured by this Mortgage in whatever order Lender directs in its absolute discretion and without regard to the adequacy of its security.

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4.3 Leases. Except as permitted under the Loan Agreement, Mortgagor shall not enter into, amend, modify or terminate any lease or other occupancy agreement materially affecting the Property without the prior consent of Lender.

ARTICLE V ALIENATION AND FURTHER ENCUMBRANCES

Mortgagor shall not voluntarily or involuntarily, by operation of law or otherwise, suffer or permit any of its interests or rights in the Mortgaged Property to be assigned, sold, pledged, encumbered, transferred, hypothecated or otherwise disposed of until the provisions of the Loan Agreement have been fully complied with and the Loan and other sums evidenced by the Note and/or secured by this Mortgage and the other Loan Documents have been repaid in full. Notwithstanding the foregoing, Mortgagor may, subject to the terms of the Loan Agreement, enter into Leases in the ordinary course of Mortgagor's business. No party directly or indirectly owning an interest in Mortgagor shall suffer or permit any of such interest to be assigned, sold, pledged, encumbered, transferred, hypothecated or otherwise disposed of until the provisions of the Loan Agreement have been fully complied with and the Loan and all other sums evidenced by the Note and/or secured by this Mortgage and the other Loan Documents have been repaid in full. If Mortgagor takes or permits any such action without the prior written consent of Lender, Lender may, at its option and without limiting any other right or remedy available to Lender at law, in equity or by agreement with Mortgagor, accelerate the maturity of the Mortgagor's obligations provided for in the Note and require the payment of the then existing outstanding principal balance and all other sums due under the Note and under this Mortgage. The giving of consent by Lender to the transfer or disposition of the Mortgaged Property in any one or more instances shall not limit or waive the need for such consent in any other or subsequent instance. Notwithstanding the foregoing, Rossano De Cotiis, Morris De Cotiis and Giulio De Cotiis may transfer, in one or more transactions, their indirect interests in Mortgagor to and from each other, and to Paolo De Cotiis, or to trusts for the benefit of any of them, without Lender's prior consent; provided, however, Rossano De Cotiis, Morris De Cotiis and Giulio De Cotiis, and trusts for any of them, shall at all times hold not less than a seventy-five percent (75%) indirect interest in Mortgagor. Mortgagor shall deliver to Lender a copy of the assignment or other document evidencing such transfer promptly after the occurrence thereof.

ARTICLE VI PERSONAL PROPERTY SECURITY PROVISIONS

6.1 Security Interest. This Mortgage is also intended to encumber and create a security interest in, and Mortgagor hereby grants to Lender a security interest in, all portions of the Mortgaged Property constituting personal property and the Borrower's Account (as defined in the Note), all marketable securities, stock, debt securities, debt instruments, certificates of deposit, banker's acceptances, time deposits, instruments, commercial paper, cash, cash equivalents, and all other items or investments from time to time deposited in the Borrower's Account, equipment, inventory, contract rights, general intangibles, and all other personal property of every type or description owned by Mortgagor, all renewals, replacements of any of the aforementioned items, or articles in substitution therefor or in addition thereto or the proceeds thereof, whether or not the same shall be attached or related to the Mortgaged Property in any manner (all such property being referred to collectively as the "Collateral"). Except as

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permitted under the Loan Agreement, all of the Collateral shall be owned by Mortgagor and no leasing or installment sales or other financing or title retention agreement in connection therewith shall be permitted without the prior written approval of Lender. Mortgagor shall, from time to time upon the written request of Lender, supply Lender with a current inventory of all of the Collateral in which Mortgagor has granted to Lender a security interest hereunder, in such detail as Lender may reasonably require. Mortgagor shall promptly replace all of the Collateral when worn or obsolete with an article comparable to the worn out or obsolete Collateral when new and will not, without the prior written consent of Lender, remove from the Property any of the Collateral subject to this Mortgage except such as is replaced by an article of equal suitability and value as above provided, owned by Mortgagor free and clear of any lien or security interest except that created by this Mortgage.

6.2 Security Agreement. This Mortgage constitutes a security agreement between each Mortgagor and Lender with respect to the Collateral in which Lender is granted a security interest hereunder, and, cumulative of all other rights and remedies of Lender hereunder, Lender shall have all of the rights and remedies of a secured party under the Illinois Uniform Commercial Code (the "UCC"). This Mortgage constitutes a security agreement and a financing statement (fixture filing) and it is hereby recited that this Mortgage is to be filed in the office where a mortgage on the Property would be recorded, which is the office of the Recorder of Cook County, Illinois. Mortgagor is the record owner of the Property. Mortgagor hereby agrees to execute and deliver on demand and hereby irrevocably constitutes and appoints Lender the attorney-in-fact of Mortgagor to execute and deliver and, if appropriate, to file with the appropriate filing officer or office, such security agreements, financing statements, continuation statements or other instruments as Lender may request or require in order to impose, perfect or continue the perfection of the lien or security interest created hereby. To the extent specifically provided herein, Lender shall have the right of possession of all cash, securities, instruments, negotiable instruments, documents, certificates and any other evidences of cash or other property or evidences of rights to cash rather than property, which are now or hereafter a part of the Collateral, and Mortgagor shall promptly deliver the same to Lender, endorsed to Lender, without further notice from Lender. Each Mortgagor agrees to furnish Lender in writing with notice of any change in the name, identity, organizational structure, residence, or principal place of business or mailing address of such Mortgagor thirty (30) days prior to the effective date of any such change.

The filing of a financing statement covering the Collateral shall not be construed to derogate from or impair the lien or provisions of this Mortgage with respect to any property described herein which is real property or which the parties have agreed to treat as real property. Similarly, nothing in any financing statement shall be construed to alter any of the rights of Lender under this Mortgage or the priority of Lender's lien created hereby, and such financing statement is declared to be for the protection of Lender in the event any court shall at any time hold that notice of Lender's priority interest in any property or interests described in this Mortgage must, in order to be effective against a particular class of persons, including but not limited to the Federal government and any subdivision, agency or entity of the Federal government, be filed in the Uniform Commercial Code records.

6.3 UCC Remedies. Upon the occurrence of any Event of Default hereunder, Lender shall have the right to cause any of the Collateral to be sold at any one or more public or private

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sales as permitted by applicable law, and Lender shall further have all other rights and remedies, whether at law, in equity, or by statute, as are available to secured creditors under applicable law. Any such disposition may be conducted by an employee or agent of Lender. Any person, including both Mortgagor and Lender, shall be eligible to purchase any part or all of such property at any such disposition. Expenses of retaking, holding, preparing for sale, selling or the like shall be borne by Mortgagor and shall include Lender's attorneys' fees and legal expenses. Mortgagor, upon demand of Lender, shall assemble such personal property and make it available to Lender at the Property, a place which is hereby deemed to be reasonably convenient to Lender and Mortgagor. Lender shall give Mortgagor at least ten (10) days' prior written notice of the time and place of any public sale or other disposition of such property or of the time of or after which any private sale or any other intended disposition is to be made, and if such notice is sent to Mortgagor, as the same is provided for the mailing of notices herein, it is hereby deemed that such notice shall be and is reasonable notice to Mortgagor.

6.4 Parties The name and principal place of business of Mortgagor, as "Debtor", and Lender, as "Secured Party", under the UCC are as set forth in the first paragraph of this Mortgage.

ARTICLE VII EVENTS OF DEFAULT

7.1 Mortgagor will be in default under this Mortgage if any "Event of Default" occurs and is continuing under the Loan Agreement.

ARTICLE VIII REMEDIES

8.1 Remedies. Upon the occurrence of any Event of Default hereunder, Lender may, at its option, and without notice to or demand upon Mortgagor:

- (a) Declare any or all indebtedness secured by this Mortgage to be due and payable immediately;
- (b) Enter onto the Mortgaged Property, in person or by agent or by court-appointed receiver, and take any and all steps which may be desirable in Lender's judgment to complete any unfinished construction and to manage and operate the Mortgaged Property and to collect any and all rents, issues and profits of the Property, and Lender may apply any rents, royalties, income or profits collected against the indebtedness secured by this Mortgage without in any way curing or waiving any default of Mortgagor;
- (c) Bring a court action to foreclose this Mortgage or to enforce its provisions or any of the indebtedness or obligations secured by this Mortgage;
- (d) [Intentionally omitted.];
- (e) Enforce, waive, amend, modify, or terminate any or all Interest Rate Agreements then in effect, and receive and apply any funds payable to Mortgagor under any Interest Rate Agreement to Mortgagor's obligations under this Mortgage, and in furtherance of

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the power and authority granted to Lender by Mortgagor under this clause (e), Mortgagor hereby appoints Lender and Lender's designees as Mortgagor's attorney-in-fact, with power to take the actions set forth above with respect to Interest Rate Agreements. This power, being coupled with an interest, is irrevocable until this Mortgage has been released and the obligations have been fully satisfied; and/or

(f) Exercise any other right or remedy available under law or in equity.

8.2 [Intentionally omitted.]

8.3 Application of Proceeds. The proceeds of any sale under this Mortgage will be applied in the following manner:

FIRST: Payment of the costs and expenses of the sale, including but not limited to Lender's fees, legal fees and disbursements, title charges and transfer taxes, and payment of all expenses, liabilities and advances of Lender, together with interest on all advances made by Lender at the maximum rate permitted to be charged by Lender under applicable law.

SECOND: Payment of all sums expended by Lender under the terms of this Mortgage and not yet repaid, together with interest on such sums at the higher of ten percent (10%) per annum or the rate set forth in the Note, payable after maturity thereof.

THIRD: Payment of the indebtedness and obligations of Mortgagor secured by this Mortgage in any order that Lender chooses.

FOURTH: The remainder, if any, to the person or persons legally entitled to it.

8.4 Waivers by Mortgagor. Mortgagor waives all rights to direct the order in which any of the Mortgaged Property will be sold in the event of any sale under this Mortgage, and also any right to have any of the Mortgaged Property marshaled upon any sale.

8.5 No Waiver by Lender. All remedies contained in this Mortgage are cumulative, and Lender also has all other remedies provided by law or in any other agreement between Mortgagor and Lender. No delay or failure by Lender to exercise any right or remedy under this Mortgage will be construed to be a waiver of that right or remedy of any default by Mortgagor. Lender may exercise any one or more of its rights and remedies at its option without regard to the adequacy of its security.

8.6 Enforcement Costs. Mortgagor will pay all of Lender's expenses incurred in any efforts to enforce any terms of this Mortgage, whether or not any lawsuit is filed, including but not limited to court costs, expenses of audits, appraisals, environmental assessments, inspections, legal fees and disbursements, foreclosure costs and title charges.

ARTICLE IX MISCELLANEOUS

9.1 Fixture Filing. This Mortgage constitutes a financing statement filed as a Fixture Filing in the Official Records of the County Recorder of the county in which the Mortgaged

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Property is located with respect to any and all fixtures included within the term "Mortgaged Property" as used herein and with respect to any goods or other personal property that may now be or hereafter become such fixtures.

9.2 Invalidity. The invalidity or unenforceability of any one or more provisions of this Mortgage will in no way affect any other provisions of this Mortgage.

9.3 Statement of Status. Mortgagor agrees to pay Lender a reasonable charge, not to exceed the maximum allowed by law, for giving any statement of the status of the obligations secured by this Mortgage.

9.4 Notices. Except for the foreclosure notices required pursuant to applicable law, all notices given under this Mortgage shall be given in accordance with Section 12.3 of the Loan Agreement. However, the service of any notice of default or notice of sale under this Mortgage as required by law will, if mailed, be effective on the date of mailing.

9.5 Actions by Lender. Without affecting Mortgagor's liability for the payment of any of the indebtedness secured by this Mortgage, Lender may from time to time and without notice to Mortgagor (a) release any person liable for the payment of that indebtedness, or (b) accept additional real or personal property of any kind as security, or alter, substitute or release any property securing that indebtedness, or (c) consent to the making of any map or plot of the Mortgaged Property, or join in granting any easement or creating any restriction on the Mortgaged Property, or join in any subordination or other agreement affecting this Mortgage.

9.6 Entry by Lender. Lender may at any reasonable time, subject to the rights of any tenant in possession of any portion of the Mortgaged Property, enter upon and inspect the Mortgaged Property in person or by agent. Except in cases of emergencies, Lender shall provide reasonable notice prior to any inspection.

9.7 [Intentionally Omitted.]

9.8 Statute of Limitations. Mortgagor waives all present and future statutes of limitations as a defense to any action to enforce the provisions of this Mortgage or to collect any indebtedness secured by this Mortgage to the fullest extent permitted by law.

9.9 Definitions; Captions. Capitalized terms used, but not otherwise defined, herein shall have the respective meanings set forth in the Loan Agreement. The terms "Mortgagor" includes both the original Mortgagor and any subsequent owner or owners of any of the Mortgaged Property and/or any successor in interest of Mortgagor under the Loan, and the term "Lender" includes the original Lender and also any future owner or holder, including pledges and participants, of the Note or any interest therein. Whenever the context requires, the singular includes the plural and vice versa and each gender includes each other gender. The headings of the articles and sections of this Mortgage are for convenience only and do not limit its provisions.

9.10 No Waiver. Lender's consent to any act or omission by Mortgagor will not be a consent to any other or subsequent act or omission or a waiver of the need for such consent in any future or other instance.

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9.11 Successors and Assigns. The terms of this Mortgage will bind and benefit the heirs, legal representatives, successors and assigns of Mortgagor and Lender. If Mortgagor consists of more than one person or entity, each will be jointly and severally liable to perform the obligations of Mortgagor.

9.12 Governing Law. This Mortgage shall be governed by, and construed in accordance with, the laws of the State of Illinois.

9.13 [Intentionally Omitted.]

9.14 State-Specific Provisions. To the extent of any conflict between the terms and provisions of this paragraph and the terms and provisions otherwise contained in this Mortgage, the terms and provisions of this paragraph shall govern and control the rights and obligations of the parties.

a. Benefits of Act. If any provision of this Mortgage is inconsistent with any applicable provision of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101, et seq. (the "Act"), the provisions of the Act shall take precedence over the provisions of this Mortgage, but the Act shall not invalidate or render unenforceable any other provision of this Mortgage that can be fairly construed in a manner consistent with the Act. Without in any way limiting any of Lender's rights, remedies, powers and authorities provided in this Mortgage or otherwise, and in addition to all of such rights, remedies, powers and authorities, Lender shall also have all rights, remedies, powers and authorities permitted to the holder of a mortgage under the Act, as the same may be amended from time to time. If any provision of this Mortgage shall grant to Lender any rights, remedies, powers or authorities upon default of Mortgagor which are more limited than what would be vested in Lender under the Act in the absence of said provision, Lender shall have such rights, remedies, powers and authorities that would be otherwise vested in it under the Act. Without limitation, all expenses (including reasonable attorneys' fees and costs) incurred by Lender to the extent reimbursable under 735 ILCS 5/15-1510, 5/15-1512, or any other provision of the Act, whether incurred before or after any judgment of foreclosure, shall be added to the indebtedness secured by this Mortgage and included in the judgment of foreclosure.

b. Insurance. Wherever provision is made in this Mortgage for insurance policies to bear mortgagee clauses or other loss payable clauses or endorsements in favor of Lender, or to confer authority upon Lender to settle or participate in the settlement of losses under policies of insurance or to hold and disburse or otherwise control use of insurance proceeds, from and after the entry of judgment of foreclosure, all such rights and powers of Lender shall continue in Lender as judgment creditor or mortgagee until confirmation of sale.

c. Protective Advances. All advances, disbursements and expenditures made or incurred by Lender before and during a foreclosure, and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by this Mortgage or by the Act (collectively, the "Protective Advances"), shall have the benefit of all applicable provisions of the Act, including those provisions of the Act herein below referred to:

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(i) all advances by Lender in accordance with the terms of this Mortgage to: (1) preserve, maintain, repair, restore or rebuild the Improvements upon the Property; (2) preserve the lien of this Mortgage or the priority thereof; or (3) enforce this Mortgage, as referred to in Subsection (b)(5) of Section 15-1302 of the Act;

(ii) payments by Lender of: (1) principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrance; (2) real estate taxes and assessments, general, special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Mortgaged Property or any part thereof; (3) other obligations authorized by this Mortgage; or (4) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 15-1505 of the Act;

(iii) advances by Lender in settlement or compromise of any claims asserted by claimants under senior mortgages or any other prior liens;

(iv) attorneys' fees and other costs incurred: (1) in connection with the foreclosure of this Mortgage as referred to in Sections 15-1504(d)(2) and 15-1510 of the Act; (2) in connection with any action, suit or proceeding brought by or against Lender for the enforcement of this Mortgage or arising from the interest of Lender hereunder; or (3) in connection with the commencement, prosecution or defense of any other action related to this Mortgage or the Mortgaged Property;

(v) Lender's fees and costs, including attorneys' fees, arising between the entry of judgment of foreclosure and the confirmation hearing as referred to in Subsection (b)(1) of Section 15-1508 of the Act;

(vi) expenses deductible from proceeds of sale as referred to in subsections (a) and (b) of Section 15-1512 of the Act;

(vii) expenses incurred and expenditures made by Lender for any one or more of the following: (1) if the Mortgaged Property or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof deemed by Lender to be required to be paid; (2) if Mortgagor's interest in the Mortgaged Property is a leasehold estate under a lease or sublease, rentals or other payments required to be made by the lessee under the terms of the lease or sublease; (3) premiums for casualty and liability insurance paid by Lender whether or not Lender or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or mortgagee takes possession of the Mortgaged Property imposed by Subsection (c)(1) of Section 15-1704 of the Act; (4) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (5) payments deemed by Lender to be required for the benefit of the Mortgaged Property or required to be made by the owner of the Mortgaged Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Mortgaged Property; (6) shares or common expense assessments payable to any association or corporation in which the owner of the Mortgaged Property is a member in any way affecting the

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Mortgaged Property; (7) if the loan secured hereby is a construction loan, costs incurred by Lender for demolition, preparation for and completion of construction, as may be authorized by the applicable commitment, loan agreement or other agreement; (8) payments deemed by this Mortgage to be required pursuant to any lease or other agreement for occupancy of the Mortgaged Property; and (9) if this Mortgage is insured, payments of FHA or private mortgage insurance required to keep such insurance in force.

All Protective Advances shall be so much additional indebtedness secured by this Mortgage, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the applicable interest rate provided for in the Note.

This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to Subsection (b)(5) of Section 15-1302 of the Act.

All Protective Advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in:

- (i) determination of the amount of indebtedness secured by this Mortgage at any time;
- (ii) the indebtedness found due and owing to Lender in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or findings by the court of any additional indebtedness becoming due after such entry or judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purposes;
- (iii) if right of redemption has not been waived by this Mortgage, computation of amount required to redeem, pursuant to Subsections (d) of Sections 15-1603 of the Act;
- (iv) determination of amounts deductible from sale proceeds pursuant to Section 15-1512 of the Act;
- (v) application of income in the hands of any court appointed receiver or Lender in possession; and
- (vi) computation of any deficiency judgment pursuant to Subsections (b)(2) and (3) of Sections 15-1508 and Section 15-1511 of the Act.

d. Lender in Possession. In addition to any provision of this Mortgage authorizing Lender to take or be placed in possession of the Mortgaged Property, or for the appointment of a receiver as provided for in the Act, Lender shall have the right, in accordance with Sections 15-1701 and 15-1702 of the Act, as granted and ordered by a court of competent jurisdiction, to be placed in possession of the Mortgaged Property or at its request to motion the court to have a receiver appointed, and any such court appointed receiver, or Lender, if and when placed in possession, shall have, in addition to any other powers provided in this Mortgage, the right to

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petition/motion the court for all rights, powers, immunities, and duties as provided for in Sections 15-1702 and 15-1703 of the Act.

e. Waiver of Redemption. Mortgagor acknowledges and represents and warrants that the Mortgaged Property does not include "agricultural real estate" or "residential real estate" as those terms are defined in 735 ILCS 5/15-1201 and 5/15-1219. Pursuant to 735 ILCS 5/15-1601(b), Mortgagor waives any and all rights of redemption from sale under any order of foreclosure of this Mortgage, or other rights of redemption which may run to Mortgagor or any other Owner of Redemption, as that term is defined in 735 ILCS 5/15-1212. Mortgagor waives all rights of reinstatement under 735 ILCS 5/15-1602 to the fullest extent permitted by law.

f. Limitation on Indebtedness. Notwithstanding any provision of this Mortgage, the Note or any other Loan Document which permits additional sums to be advanced on or after the date of this Mortgage, whether as additional loans or for any payments authorized by this Mortgage or any other Loan Document, the total amount of the principal component of the obligations secured hereby shall not at any time exceed three hundred percent (300%) of the original principal amount of the Note as set forth in this Mortgage.

g. Future Advances. This Mortgage is granted to secure future advances made by Lender to Mortgagor. The parties acknowledge and agree that all future advances shall be a lien from the time that this Mortgage is recorded as provided in 735 ILCS 5/15-1302(b)(1). Nothing in his sub-section (g) or in any other provisions of this Mortgage shall be deemed an obligation on the part of Lender to make any future advances of any sort.

h. STATUTORY NOTICE – INSURANCE. The following notice is given pursuant to 815 ILCS 180/10:

UNLESS YOUR (MORTGAGOR) PROVIDE (MORTGAGEE) WITH EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY YOUR AGREEMENT WITH US, WE MAY PURCHASE INSURANCE AT YOUR EXPENSE TO PROTECT OUR INTERESTS IN YOUR COLLATERAL. THIS INSURANCE MAY, BUT NEED NOT, PROTECT YOUR INTERESTS. THE COVERAGE THAT WE PURCHASE MAY NOT PAY ANY CLAIM THAT YOU MAKE OR ANY CLAIM THAT IS MADE AGAINST YOU IN CONNECTION WITH THE COLLATERAL. YOU MAY LATER CANCEL ANY INSURANCE PURCHASED BY US, BUT ONLY AFTER PROVIDING US WITH EVIDENCE THAT YOU HAVE OBTAINED INSURANCE AS REQUIRED BY OUR AGREEMENT. IF WE PURCHASE INSURANCE FOR THE COLLATERAL, YOU WILL BE RESPONSIBLE FOR THE COSTS OF THAT INSURANCE, INCLUDING INTEREST AND ANY OTHER CHARGES WE MAY IMPOSE IN CONNECTION WITH THE PLACEMENT OF THE INSURANCE, UNTIL THE EFFECTIVE DATE OF THE CANCELLATION OR EXPIRATION OF THE INSURANCE. THE COSTS OF THE INSURANCE MAY BE ADDED TO YOUR TOTAL OUTSTANDING BALANCE OR OBLIGATION. THE COSTS OF THE INSURANCE MAY BE MORE THAN THE COST OF INSURANCE YOU MAY BE ABLE TO OBTAIN ON YOUR OWN.

i. Maximum Amount Secured. The maximum principal indebtedness secured by this Mortgage shall not exceed three hundred percent (300%) of the face amount of the Note. As

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of the date of this Mortgage, the principal amount secured by the Note is the sum of \$20,900,000.00. This Mortgage shall secure the payment of any amounts advanced from time to time under the Note, the Loan Agreement and the Loan Documents, or under other documents stating that such advances are secured hereby. This Mortgage also secures any and all future obligations arising under or in connection with this Mortgage, the Note, the Loan Agreement and the Loan Documents, which future obligations shall have the same priority as if all such obligations were made on the date of execution hereof. Nothing in this sub-section (i) or in any other provisions of this Mortgage shall be deemed an obligation on the part of Lender to make any future advances of any sort.

j. Property Manager. Mortgagor shall include a “no lien” provision in any property agreement hereafter entered into by Mortgagor with a property manager for the Property, whereby the property manager waives and releases any and all mechanics’ lien rights that the property manager, or anyone claiming through or under the property manager, may have pursuant to 770 ILCS 60/1. Such property agreement containing such “no lien” provision or a short form thereof shall, at the request of Lender, be recorded with the recorder of the county in which the Property is located, as appropriate.

k. Business Purposes. Mortgagor covenants that the proceeds of the loan evidenced by the Note and secured by this Mortgage will be used for the purposes specified in Section 4(1)(c) of Act 205 of Chapter 815 of the Illinois Compiled Statutes, as amended, and that the principal obligation secured hereby constitutes a business loan that comes within the purview of such Section.

l. Variable Rate. The Note which this Mortgage secures is an adjustable note on which the interest rate may be adjusted from time to time in accordance with the terms and provisions set forth in the Note and the Loan Agreement.

REQUESTS FOR NOTICES

Mortgagor requests that a copy of any notice of default and notice of sale required by law be mailed to it at its address below.


c/o Onni Group of Companies
200 1010 Seymour Street
Vancouver, British Columbia V6B 3M6 Canada

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

MORTGAGOR:

ONNI HALSTED STREET CHICAGO LLC,
a Delaware limited liability company

By: 
Name: Sam Parrotta
Title: Authorized Signatory

**COOK COUNTY
RECORDER OF DEEDS**

Property of Cook County Clerk's Office

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EXHIBIT A

Real Property Description

The Property referred to herein below is situated in the County of Cook, State of Illinois, and is described as follows:

PARCEL 1:

LOTS 12, 13, 14, 15, 16, 17, 18 AND 19 IN BLOCK 97, ALL OF BLOCK 98 AND THAT PART OF VACATED NORTH BRANCH WATER STREET LYING BETWEEN BLOCKS 97 AND 98, ALL IN ELSTON'S ADDITION TO CHICAGO IN THE SOUTHWEST 1/4 OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE NORTHWEST HALF OF LOT 11 IN BLOCK 81 IN ELSTON'S ADDITION TO CHICAGO IN SECTIONS 4 AND 5, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING THAT PART OF LOT 11 AFORESAID, LYING NORTH OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING ON THE EASTERLY LINE OF SAID LOT 11, AT A POINT EQUI-DISTANCE FROM THE NORTHEAST CORNER AND THE SOUTHEAST CORNER OF THE EAST HALF OF SAID LOT, RUNNING THENCE DUE WEST THROUGH THE CENTER OF SAID LOT 11, AND PARALLEL WITH THE SOUTH LINE OF THE EAST 1/2 THEREOF, TO A POINT 88 FEET 11 3/4 INCHES DIRECTLY WEST FROM THE EAST LINE, RUNNING THENCE FROM SAID MENTIONED POINT SOUTHWESTERLY THROUGH THE CENTER OF THE SOUTHWESTERLY 1/2 OF SAID LOT 11, AND PARALLEL WITH THE SOUTHEASTERLY LINE OF THE SOUTHWESTERLY 1/2 TO A POINT IN THE SOUTHWESTERLY LINE OF SAID LOT MIDWAY BETWEEN AND EQUI-DISTANCE FROM THE SOUTHWESTERLY CORNER OF THE SOUTHWESTERLY 1/2 OF LOT 11 AND THE NORTHWESTERLY CORNER OF SAID SOUTHWESTERLY 1/2 OF SAID LOT 11, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

ALL THAT PORTION OF LOT 11 IN BLOCK 81 IN ELSTON'S ADDITION TO CHICAGO LYING SOUTH OF A LINE RUNNING THROUGH THE CENTER OF SAID LOT, SAID LINE BEING MORE PARTICULARLY LOCATED AND DESIGNATED AS FOLLOWS:

STARTING ON THE EASTERLY LINE OF SAID LOT 11 AT A POINT EQUAL DISTANT FROM THE NORTHEAST CORNER AND THE SOUTHEAST CORNER OF THE EAST 1/2 OF SAID LOT, RUNNING THENCE WEST THROUGH THE CENTER OF SAID LOT 11 AND PARALLEL WITH THE SOUTH LINE OF THE EAST 1/2 THEREOF TO A POINT 88 FEET 11 3/4 INCHES DIRECTLY WEST FROM SAID EAST LINE RUNNING THENCE

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FROM SAID MENTIONED POINT SOUTHWESTERLY THROUGH THE CENTER OF THE SOUTHWESTERLY 1/2 OF SAID LOT 11 AND PARALLEL WITH THE SOUTHEASTERLY LINE OF SAID SOUTHWESTERLY 1/2 TO A POINT IN THE SOUTHWESTERLY LINE OF SAID LOT MIDWAY BETWEEN AND EQUAL DISTANT FROM THE SOUTHEASTERLY CORNER OF THE SOUTHWESTERLY 1/2 OF SAID LOT 11 AND THE NORTHWESTERLY CORNER OF THE SAID SOUTHWESTERLY 1/2 OF SAID LOT 11 OF SECTION 5, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4.

LOTS 12 AND 13 IN BLOCK 81 IN ELSTON'S ADDITION TO CHICAGO IN THE SOUTHEAST 1/4 OF SECTION 5, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Perm. Tax Nos.: 17-04-315-007-0000
17-04-315-008-0000
17-04-328-006-0000
17-05-410-004-0000
17-05-410-005-0000
17-05-410-006-0000
17-05-410-007-0000
17-05-410-008-0000

Address: 901 and 904 Halsted Street, Chicago, County of Cook, State of Illinois

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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

PROVINCE

STATE OF BRITISH COLUMBIA)

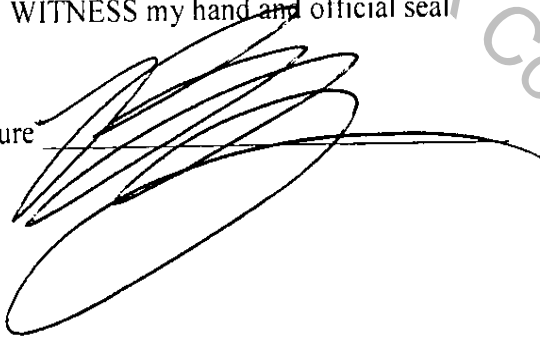
CITY)
COUNTY OF VANCOUVER) ss

On JANUARY 21, 2019, before me, JON BUNYAN, a notary public, personally appeared SAM PARLUTTA, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature



Jon Bunyan
Barrister & Solicitor (Seal)
Onni Group
200 - 1010 Seymour Street
Vancouver, B.C., V6B 3M6
T: (604) 602 - 7711