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## Illinois Anti-Predatory Lending Database Program

### Certificate of Exemption



Report Mortgage Fraud  
844-768-1713



\*1924034132\*

Doc# 1924034132 Fee \$88.00

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

EDWARD M. MOODY

COOK COUNTY RECORDER OF DEEDS

DATE: 08/28/2019 02:47 PM PG: 1 OF 36

The property identified as: **PIN:** 14-20-225-030-0000

**Address:**

**Street:** 3630 N. Clark St

**Street line 2:**

**City:** Chicago

**State:** IL

**ZIP Code:** 60613

**Lender:** Massachusetts Mutual Life Insurance Company

**Borrower:** HSC Hotel Holdings LLC

**Loan / Mortgage Amount:** \$140,000,000.00

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

*CC# 1902877LD . 4 of 8*

*CT# JYOK*

**Certificate number:** 9F5DD7D7-CFA0-4B93-A9C8-EF9C7EE5504A

**Execution date:** 8/8/2019

S ✓  
P ✓  
S ✓  
M ✓  
SC ✓  
E ✓  
INT ✓

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Mortgage Loan No. 194091

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

Cover Sheet

Date: As of August 28, 2019

Mortgagor: **HSC HOTEL HOLDINGS LLC**, a Delaware limited liability company

Mortgagor's State of Organization: Delaware

Mortgagor's Organizational ID Number: 5136375

Lender: **MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY**, a Massachusetts corporation

Note Amount: \$140,000,000.00

Maturity Date: September 1, 2049

State: Illinois

Record Owner of the Land:  
(as defined herein) North Clark Street LLC, a Delaware limited liability company

This document prepared by,  
and after recording, please  
return to: Cox, Castle & Nicholson LLP  
2029 Century Park East, 21st Floor  
Los Angeles, California 90067  
Attention: Adam B. Weissburg, Esq.

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

THIS SUBLEASEHOLD MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "**Mortgage**") is made as of August 23, 2019, by HSC HOTEL HOLDINGS LLC, a Delaware limited liability company, having an address at 1101 W. Waveland Avenue, Chicago, Illinois 60613 (together with its successors or assigns, "**Mortgagor**") in favor of MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, a Massachusetts corporation, having an address in care of Barings, One Financial Plaza, Hartford, Connecticut 06103, Attention: Financial Group Loan Servicing, Loan No. 194091 (together with its successors and assigns, including any other holders from time to time of the Note (as defined herein), "**Lender**").

### GRANTING CLAUSES

For good and valuable consideration and to secure the payment of an indebtedness in the principal sum of **ONE HUNDRED FORTY MILLION AND 00/100 DOLLARS (\$140,000,000.00)** in lawful money of the United States, to be paid according to (i) that certain Loan Agreement of even date herewith between Mortgagor, HSC Plaza and Building Operations LLC, a Delaware limited liability company ("**Leasehold Mortgagor**"), North Clark Street LLC, a Delaware limited liability company ("**Fee Mortgagor**"), and together with Mortgagor and Leasehold Mortgagor, individually and collectively, "**Borrower**") and Lender (as the same may hereafter be amended or modified, the "**Loan Agreement**"), and (ii) that certain Promissory Note of even date herewith from Borrower to Lender in said principal sum with a maturity date of September 1, 2049 (the "**Maturity Date**"), and any replacement(s) or substitution(s) of said Promissory Note held by Lender or by any successor or assignee of Lender (as the same may hereafter be amended, modified, split, restated, consolidated or extended, the "**Note**"), which Loan Agreement and Note are hereby incorporated herein by this reference and made a part hereof, together with all other Indebtedness due or to become due to Lender under the Loan Documents (as defined herein), including all amounts, sums and expenses paid hereunder by or payable to Lender according to the terms hereof (including, without limitation, all Advances (as hereinafter defined) and interest thereon as provided herein and in the Loan Agreement), and all other covenants, obligations and liabilities of Borrower under the Loan Documents, Mortgagor has created a security interest in and mortgaged, warranted, granted, bargained, sold, conveyed, assigned, pledged, transferred and set over, and does by these presents create a security interest in and MORTGAGE, WARRANT, GRANT, BARGAIN, SELL, CONVEY, ASSIGN, PLEDGE, TRANSFER AND SET OVER unto Lender and its successors and assigns forever, WITH MORTGAGE COVENANTS and with all other STATUTORY RIGHTS AND COVENANTS in the State (as hereinafter defined), all of Mortgagor's right, title and interest in the following property, together with all interest and estate which Mortgagor may hereafter acquire in the following property (excluding any Excluded Assets):

The Mortgagor's subleasehold estate created pursuant to that certain Lease Agreement dated as of October 30, 2015 between Leasehold Mortgagor, as landlord, and Mortgagor, as tenant, a memorandum of which was recorded in the Official Records of Cook County, Illinois on November 3, 2015 as Document No. 1530719066 (the "**Sublease**") in the parcel or parcels of

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land described in Exhibit A attached hereto and by this reference made a part hereof (the "**Land**"), and all of Mortgagor's rights, title, interests, privileges, fee and/or leasehold title acquisition rights and options created by the Sublease (collectively, the "**Subleasehold Estate**");

TOGETHER with the Mortgagor's subleasehold estate in the buildings, foundations, structures and improvements (including fixtures) now or hereafter located on or in the Land (collectively, the "**Improvements**"), together with all interest and estate which Mortgagor may hereafter acquire in the Improvements (or any portion thereof);

TOGETHER with all security deposits and other deposits now or hereafter made by Mortgagor pursuant to, and all other refunds, credits, claims, causes of action and other rights of Mortgagor now or hereafter arising under, the Sublease;

TOGETHER with all right, power, privilege, option, title and interest, if any, of Mortgagor in and to the streets and roads, opened or proposed, abutting the Land, all strips and gores within or adjoining the Land, the air space and right to use the air space above the Land, all rights of ingress and egress to and from the Land, all easements, rights of way, reversions, remainders, estates, rights, titles, interests, privileges, servitudes, tenements, hereditaments, and appurtenances now or hereafter affecting the Land or the Improvements, all royalties and rights and privileges appertaining to the use and enjoyment of the Land or the Improvements, including all air, lateral support, streets, alleys, passages, vaults, drainage, water, oil, gas and mineral rights, development rights, all leases and licenses and options to purchase or lease, and all other interests, estates or claims, in law or in equity, which Mortgagor now has or hereafter may acquire in or with respect to the Land or the Improvements (collectively, the "**Appurtenances**");

The Subleasehold Estate, the Improvements and the Appurtenances are hereinafter collectively referred to as the "**Premises**";

TOGETHER with all equipment, fittings, furniture, furnishings, appliances, apparatus, and machinery in which Mortgagor now or hereafter has a possessory or title interest and now or hereafter installed in or located upon the Premises and Mortgagor's interest in all building materials, supplies and equipment now or hereafter delivered to the Premises and intended to be installed therein or located thereon; all fixtures, inventory, other goods and personal property of whatever kind and nature now contained on or in or hereafter placed on or in the Premises and used or to be used in connection with the letting or operation thereof, in which Mortgagor now has or hereafter may acquire a possessory or title interest and all renewals or replacements of any of the foregoing property or articles in substitution thereof, including beds, bureaus, chiffonniers, chests, chairs, desks, lamps, mirrors, bookcases, tables, rugs, carpeting, drapes, draperies, curtains, shades, venetian blinds, screens, paintings, hangings, pictures, divans, couches, luggage carts, luggage racks, stools, sofas, chinaware, linens, pillows, blankets, glassware, silverware, foodcarts, cookware, dry cleaning facilities, dining room wagons, keys or other entry systems, bars, bar fixtures, liquor and other drink dispensers, ice makers, radios, television sets, intercom and paging equipment, electric and electronic equipment, dictating equipment, private telephone systems, medical equipment, potted plants, heating, lighting and plumbing fixtures, fire prevention and extinguishing apparatus, cooling and air-conditioning systems, elevators, escalators, fittings, plants, apparatus, stoves, ranges, refrigerators, tools, machinery, engines, dynamos, motors, boilers, incinerators, switchboards, conduits, compressors, vacuum cleaning

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systems, floor cleaning, waxing and polishing equipment, call systems, brackets, electrical signs, bulbs, bells, ash and fuel, conveyors, cabinets, lockers, shelving, spotlighting equipment, dishwashers, garbage disposals, washers and dryers, and other equipment used in the operation of the Premises (collectively, the "**Equipment**");

TOGETHER with all right, power, privilege, option, title and interest of Mortgagor in and under all present or future accounts, deposit accounts, documents, instruments, chattel paper, and general intangibles (including "payment intangibles"), as the foregoing terms are defined in the Code (as hereinafter defined), all deposits, monies or escrows held by Lender or Lender's agent or any accounts established pursuant hereto or pursuant to any other Loan Document, and all contract rights, equipment leases, operating leases and licenses, Operating Agreements (as defined in the Loan Agreement), derivative investments, letters of credit, and rate cap agreements, including casualty insurance policies and liability insurance policies (irrespective of whether such policies are required to be obtained or maintained in force pursuant to the Loan Agreement or other Loan Documents), trade names, trademarks, servicemarks, logos, copyrights, goodwill, franchises (to the extent assignable), books, records, plans, specifications, permits, licenses, approvals, actions, claims under the Federal Bankruptcy Code (as hereinafter defined) and causes of action which now or hereafter relate to, are derived from or are used in connection with the Premises or the use, operation, maintenance, occupancy or enjoyment thereof or the conduct of any business or activities thereon (collectively, the "**Intangibles**");

TOGETHER with all right, power, privilege, option, title and interest of Mortgagor in and under all existing and future leases (including, without limitation, all Transient Occupancy Leases), lettings, tenancies, occupancy agreements, licenses to occupy (including, without limitation, all License Transactions) and other similar arrangements affecting the Premises or any part thereof now or hereafter entered into and all amendments, extensions, renewals and guaranties thereof, all security therefor, including letter of credit rights, guaranties and other supporting obligations, and all moneys payable thereunder, whether entered into before or after the filing by or against Mortgagor of any petition for relief under the Federal Bankruptcy Code (collectively, the "**Leases**"); provided, however, the defined term "Leases" shall not include the Sublease;

TOGETHER with all rents, room rates, income, accounts, receivables issues, profits, security deposits, including the proceeds from letters of credit, guarantees and other supporting obligations, all other payments and profits from the Leases and the use and occupation of the Premises, including fixed and additional rents, cancellation payments, option payments, all revenues and credit card receipts collected from guest rooms, restaurants, bars, mini-bars, meeting rooms, banquet rooms and recreational facilities and otherwise, all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of sale, lease, sublease, license, concession or other grant of the right of the possession, use or occupancy of all or any portion of the Premises, or personalty located thereon, or rendering of services by Mortgagor or any operator or manager of any hotel or commercial space, located in the Premises or acquired from others including from the rental of any office space, retail space, commercial space, guest rooms or other space, halls, stores or offices, including any deposits securing reservations of such space, exhibit or sales space of every kind, license, lease, sublease and concession fees and rentals, health club membership fees, food and beverage wholesale and retail sales, telephone and television systems, guest laundry, the



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provision or sale of other goods and services, service charges, vending machine sales, and any other items of revenue, receipts or other income as identified in the Uniform System of Accounts for the Lodging Industry, 11th Edition, American Hotel & Motel Association, as from time to time amended, and any other payments and benefits to which Mortgagor may now or hereafter be entitled from the Premises, the Equipment or the Intangibles or under or in connection with the Leases (collectively, the "**Property Income**"), including the immediate and continuing right to make claim for, receive, collect and receipt for Property Income, including the right to make claim in a proceeding under the Federal Bankruptcy Code and to apply the same to the payment of the Indebtedness, all whether before or after the filing by or against Mortgagor of any petition for relief under the Federal Bankruptcy Code; and

TOGETHER with all proceeds, judgments, claims, compensation, awards of damages and settlements pertaining to or resulting from or in lieu of Mortgagor's right, title and interest in any condemnation or taking of the Premises by eminent domain or any casualty loss or damage to any of the Premises, the Equipment, the Intangibles, the Leases or the Property Income, and including also, the right to assert, prosecute and settle Mortgagor's right, title and interest in claims arising out of or pertaining to such condemnation or taking or such casualty loss under insurance policies constituting an Intangible and to apply for and receive payments of Mortgagor's right, title and interest in proceeds under such insurance policies and in any condemnation or taking, the right to apply for and receive all Mortgagor's right, title and interest in refunds with respect to the payment of property taxes and assessments and Mortgagor's right, title and interest in all other proceeds from the conversion, voluntary or involuntary, of the Premises, the Equipment, the Intangibles, the Leases or the Property Income, or any part thereof, into cash or liquidated claims. Collectively, all of the foregoing are herein referred to as the "**Proceeds**".

The Equipment, the Intangibles, the Subleasehold Estate, the Leases, the Property Income and the Proceeds (excluding any Excluded Assets) are hereinafter collectively referred to as the "**Collateral**". The Premises and the Collateral (excluding any Excluded Assets) are hereinafter collectively referred to as the "**Mortgaged Property**".

TO HAVE AND TO HOLD the Mortgaged Property, with all the privileges and appurtenances to the same belonging, and with the possession and right of possession thereof, unto Lender and its successors and assigns forever.

All initially capitalized terms not defined in this Mortgage shall have the respective meanings ascribed to such terms in the Loan Agreement.

## ARTICLE I

### DEFINITION OF TERMS

As used in this Mortgage, the terms set forth below shall have the following meanings:

"**Advances**" has the meaning assigned in the Loan Agreement.

"**Appurtenances**" has the meaning assigned in the Granting Clauses.

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“**Assignment**” means that certain Assignment of Leases and Rents from Mortgagor to Lender of even date herewith.

“**Code**” means the Uniform Commercial Code of the State or any other state the laws of which are required to be applied in connection with the issue of perfection of security interests, as the same may be amended from time to time or any successor statute thereto.

“**Collateral**” has the meaning assigned in the Granting Clauses.

“**Default Rate**” has the meaning assigned in the Loan Agreement.

“**Equipment**” has the meaning assigned in the Granting Clauses.

“**Event of Default**” means any one or more of the events described in Section 9.1 of the Loan Agreement.

“**Excluded Assets**” means: (a) the Franchise Agreement, and any other contract, agreement, permit, authorization, approval or license of Mortgagor entered into or acquired after the Closing Date and approved by Lender in writing (to the extent approval is required under the terms of the Loan Documents), and any rights therein and property acquired thereunder, if and for so long as, and solely to the extent that, the grant of a security interest therein, or the assignment thereof, shall constitute or result in (i) the abandonment, invalidation or unenforceability of any right, title or interest of Mortgagor therein or (ii) a breach or termination pursuant to the terms of, or a default under such lease, contract, agreement, permit, authorization, approval or license (other than (A) to the extent that any such term would be rendered ineffective pursuant to the Code of any relevant jurisdiction or any other applicable law (including the Federal Bankruptcy Code) or principles of equity or (B) to the extent such security interest or assignment shall be expressly permitted by the applicable counterpart(ies) by consent, waiver or otherwise); (b) any intent-to-use trademark application prior to the filing of a “Statement of Use” or “Amendment to Allege Use” with respect thereto, to the extent, if any, that, and solely during the period, if any, in which, the grant of a security interest therein, or the assignment thereof, would impair the validity or enforceability of such intent-to-use trademark application under applicable federal law; provided, with respect to clause (a) and (b), that the foregoing shall constitute Collateral immediately at such time as the condition causing such abandonment, invalidation or unenforceability shall be remedied and, to the extent severable, any portion of such trademark application, lease, license, contract, agreement, permit, authorization or approval that does not result in any of the consequences specified in clause (a) or (b), shall constitute Collateral, including any proceeds of such trademark application, license, contract, agreement, permit, authorization or approval; (c) vehicles and other property covered by certificates of title, to the extent that a security interest therein cannot be perfected solely by filing a UCC-1 financing statement in the jurisdiction of organization of the owner thereof; (d) property and assets owned by Mortgagor that are the subject of Liens securing Permitted Debt, for so long as such Liens are in effect and the indebtedness secured thereby prohibits any other Liens thereon, other than (i) to the extent that any such prohibition, restriction or other term would be rendered ineffective pursuant to the Code of any relevant jurisdiction or any other applicable law (including the Federal Bankruptcy Code) or principles of equity or (ii) to the extent such Lien shall be expressly permitted by the applicable counterpart(ies) by consent,

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waiver or otherwise; and (e) (i) deposit and securities accounts the balance of which consists exclusively of (A) withheld income taxes and federal, state or local employment taxes, and (B) amounts required to be paid over to an employee benefit plan, (ii) all segregated deposit accounts constituting tax accounts and trust accounts established in the ordinary course of business, (iii) deposit accounts or securities accounts solely and exclusively used for payroll, payroll taxes and other employee wage and benefit payments and (iv) pension fund accounts and 401(k) accounts.

**"Federal Bankruptcy Code"** means Title 11 of the United States Code, as the same may be amended from time to time or any successor statute thereto.

**"Impositions"** has the meaning assigned in the Loan Agreement.

**"Indebtedness"** has the meaning assigned in the Loan Agreement.

**"Intangibles"** has the meaning assigned in the Granting Clauses.

**"Land"** has the meaning assigned in the Granting Clauses.

**"Leases"** has the meaning assigned in the Granting Clauses.

**"Lender"** has the meaning assigned in the preamble of this Mortgage.

**"Loan"** means the loan made by Lender to Mortgagor evidenced by the Note and governed by the Loan Agreement.

**"Loan Agreement"** has the meaning assigned in the Granting Clauses.

**"Loan Documents"** has the meaning assigned in the Loan Agreement.

**"Maturity Date"** has the meaning assigned in the Granting Clauses.

**"Mortgagor"** has the meaning assigned in the preamble of this Mortgage.

**"Mortgaged Property"** has the meaning assigned in the Granting Clauses.

**"Note"** has the meaning assigned in the Granting Clauses.

**"Option"** means the right of Mortgagor, if any, under the Sublease to (i) extend the term of the Sublease, (ii) purchase or otherwise acquire a fee interest in the Land, including any right of first refusal to purchase such fee interest, (iii) terminate the Sublease, and/or (iv) exercise any other reversionary rights under the Sublease upon the termination of the Sublease.

**"Permitted Encumbrances"** has the meaning assigned in the Loan Agreement.

**"Person"** has the meaning assigned in the Loan Agreement.

**"Premises"** has the meaning assigned in the Granting Clauses.

**"Proceeds"** has the meaning assigned in the Granting Clauses.



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**“Property Income”** has the meaning assigned in the Granting Clauses.

**“State”** means the State of Illinois.

**“Sublease”** has the meaning assigned in the Granting Clauses.

**“Subleasehold Estate”** has the meaning assigned in the Granting Clauses.

**“Sublessor”** means Leasehold Mortgagor, as lessor, under the Sublease.

**“Upstream Owner”** has the meaning assigned in the Loan Agreement.

## ARTICLE II

### COVENANTS, WARRANTIES AND REPRESENTATIONS OF MORTGAGOR

Mortgagor covenants, warrants, represents and agrees as follows:

Section 2.01 Interest on Advances and Expenses. All Advances made and any reasonable expenses incurred at any time by Lender pursuant to the provisions of this Mortgage or the other Loan Documents or under applicable law shall be secured by this Mortgage as part of the Indebtedness, with equal rank and priority. All such Advances and expenses which are not reimbursed by Borrower when and as required under the Loan Agreement shall bear interest at the Default Rate from the date that each such Advance or expenses is made or incurred to the date of repayment and all such Advances and expense with interest thereon shall be paid to Lender by Mortgagor upon demand therefor or as otherwise provided in the Loan Agreement.

Section 2.02 Prohibition Against Conveyances, Encumbrances and Borrowing. Except as expressly permitted under Article 8 of the Loan Agreement, Mortgagor shall not convey, assign, sell, mortgage, encumber, pledge, hypothecate, grant a security interest in or otherwise dispose of (directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, and whether or not for consideration or of record) all or any portion of any legal or beneficial interest in all or any portion of the Mortgaged Property including the Leases.

Section 2.03 Assignment of Leases and Property Income.

(a) Mortgagor hereby absolutely, presently, unconditionally and irrevocably assigns, transfers and sets over to Lender all of the right, title and interest of Mortgagor in and to the Leases and the Property Income. Except as expressly permitted under Article 8 of the Loan Agreement, Mortgagor shall not otherwise assign, transfer or encumber in any manner the Leases or the Property Income or any portion thereof. Mortgagor shall have a license, revocable by Lender during the existence of any Event of Default, to collect and use the Property Income as the same becomes due and payable, but may not collect any Property Income more than thirty (30) days in advance of the date the same becomes due (except as otherwise expressly provided in any Lease, Operating Agreements or Sponsorship Contracts, as applicable, approved or otherwise permitted pursuant to the terms of the Loan Agreement) provided that any amount received by Mortgagor in advance of the due date shall be held in trust for Lender and subject to Lender’s security interests as provided in the Loan Documents. After the cure of any such Event

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of Default, provided no other Event of Default shall have occurred and be continuing, the license granted to Mortgagor in this Section 2.03(a) shall be automatically reinstated. The assignment in this Section 2.03 shall constitute an absolute, irrevocable and present assignment of the Leases and the Property Income, and not an additional assignment for security, and the existence or exercise of Mortgagor's revocable license to collect Property Income shall not operate to subordinate this assignment to any subsequent assignment. The exercise by Lender of any of its rights or remedies under this Section 2.03 shall not be deemed or construed to make Lender: (i) a Mortgagor-in-possession; (ii) responsible for the payment of any taxes or assessments with respect to the Premises; (iii) liable to perform any obligation of the lessor under any Lease(s) or under applicable law; (iv) liable to any person for any dangerous or defective condition in the Premises or for any negligence in the management, upkeep, repair, or control of the Premises resulting in loss or injury or death to any Person; or (v) liable in any manner for the remediation of any environmental impairment.

(b) Mortgagor shall comply with the terms and conditions of Section 5.1 of the Loan Agreement with respect to Leases of all or any portion of the Mortgaged Property.

Section 2.04 Environmental Matters. Mortgagor shall comply with the terms and conditions of the Environmental Indemnification Agreement (as defined in the Loan Agreement), expressly including the indemnification provisions contained therein.

Section 2.05 Condemnation Awards. Mortgagor hereby unconditionally assigns all awards and compensation for any condemnation or other taking of the Mortgaged Property or any portion thereof, or any purchase in lieu thereof, to Lender and authorizes Lender to collect and receive such awards and compensation and to give proper receipts and acquittances therefor, subject to the terms of the Loan Agreement.

Section 2.06 Insurance Proceeds. Mortgagor hereby (a) unconditionally assigns to Lender all Proceeds of any insurance policies insuring against loss or damage to the Mortgaged Property, and (b) authorizes Lender to collect and receive such Proceeds and authorizes and directs the issuer of each of such insurance policies to make payment for all such losses directly to Lender, instead of to Mortgagor and Lender jointly, all subject to the terms of the Loan Agreement.

Section 2.07 Sublease Provisions. Mortgagor represents, warrants, covenants and agrees that:

(a) Mortgagor has a valid and enforceable interest as lessee under the Sublease, and to the extent required under the Sublease, Mortgagor has obtained all necessary approvals, if any, of Sublessor for the granting to Lender of a security interest in the Sublease and the Subleasehold Estate hereunder. As of the Closing Date, the Sublease is in full force and effect, unmodified by any writing or otherwise. As of the Closing Date, Mortgagor has delivered to Lender a true, correct and complete copy of the Sublease. The Sublease is the full and complete statement of the understanding between Sublessor and Mortgagor with respect to the letting of Sublessor's leasehold interest in the Land and, as of the Closing Date, the Sublease has not been modified, amended or supplemented. As of the Closing Date, other than the Sublease,

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there are no other agreements between Sublessor and Mortgagor with respect to the Land or the Sublease.

(b) As of the Closing Date, (i) all rents any other amounts due under the Sublease and other charges required to be paid thereunder have been paid to the extent they are payable to the date hereof, (ii) Mortgagor enjoys the quiet and peaceful possession of the portion of the property demised by the Sublease, (iii) to Mortgagor's knowledge, Mortgagor is not in default under the Sublease and there are no defaults under any of the terms of the Sublease beyond the giving of any required notice and the expiration of any applicable cure period, and there are no conditions which, with the passage of time or the giving of notice, or both, would constitute a default thereunder, (iv) Mortgagor has not received notice from Sublessor of a default or potential default under the Sublease, which default or potential default has not been timely cured, and (v) to Mortgagor's knowledge, Sublessor is not in default under any of the terms or provisions of the Sublease on the part of the lessor to be observed or performed.

(c) Mortgagor shall use commercially reasonable efforts to enforce the obligations of Sublessor under the Sublease to the end that Mortgagor may enjoy all of the rights granted to it under the Sublease. Mortgagor will promptly notify Lender upon obtaining knowledge of any default by Sublessor, as lessor, or by Mortgagor, as lessee, in the performance or observance in any material respect of any of the terms, covenants and conditions on the part of Sublessor or Mortgagor, as the case may be, to be performed or observed under the Sublease. Mortgagor will promptly advise Lender upon obtaining knowledge of the occurrence of any material events of default enumerated in the Sublease (on the part of Sublessor or Mortgagor, as the case may be) and of the giving of any written notice by Sublessor under the Sublease to Mortgagor of any such event of default by Mortgagor in the performance or observance of any of the terms, covenants or conditions of the Sublease on the part of Mortgagor to be performed or observed and will promptly (but in no event more than five (5) Business Days after Mortgagor's receipt thereof) deliver to Lender a true copy of each such written notice. If, pursuant to the Sublease, Sublessor shall deliver to Lender a copy of any notice of default given to Mortgagor, as lessee under the Sublease, such notice shall, as between Lender and Mortgagor, constitute full authority and protection to Lender for any action taken or omitted to be taken by Lender in accordance with the terms of the Loan Documents, in good faith and in reliance thereon.

(d) Mortgagor shall pay prior to delinquency all rents, charges and other sums and amounts required to be paid by Mortgagor under the Sublease, other than amounts contested in good faith in accordance with applicable law and by appropriate proceedings in accordance with Section 5.3(b) or Section 6.5(b) (as applicable) of the Loan Agreement. Mortgagor shall further keep and perform in all material respects all of the provisions of the Sublease that impose any obligations on Mortgagor under the Sublease, and shall do all other things necessary to preserve and keep unimpaired the rights of Mortgagor under the Sublease.

(e) Mortgagor agrees to execute all instruments and documents which Lender may reasonably require to ratify, confirm and further evidence Lender's lien on the Mortgaged Property. Without limiting the generality of the foregoing, Mortgagor shall obtain and deliver to Lender from time to time within ten (10) days after written demand by Lender, an estoppel certificate from Sublessor (but not more than once in any twelve (12) month period, unless in connection with a Loan Transfer or an Event of Default then exists), setting forth the following

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with respect to the Sublease: (i) the name of the lessor under the Sublease; (ii) that the Sublease has not been modified in writing or, if it has been modified, the date of each modification (together with copies of each such modification); (iii) the basic rent and additional rent payable under the Sublease; (iv) the date to which all rental charges have been paid by the lessee under the Sublease (v) whether, to the Sublessor's actual knowledge, there are any alleged defaults of the lessee under the Sublease or if there are any events which have occurred which, with notice, the passage of time or both, would constitute a default under the Sublease, and, if there are, setting forth the nature thereof in reasonable detail; and (vi) whether, to Sublessor's actual knowledge, there are any then existing offsets or defenses against enforcement of any terms, covenants or conditions to be performed under the Sublease by Sublessor.

(f) Intentionally omitted.

(g) Intentionally omitted.

(h) Mortgagor shall not do, permit, suffer or refrain from doing anything that would reasonably be expected to result in a default under any of the terms of the Sublease beyond the giving of any required notice and the expiration of any applicable cure period. Mortgagor shall not (i) exercise any right or option to cancel or otherwise terminate the Sublease, or (ii) release the lessor under the Sublease from any material obligations imposed upon it thereby, in each case, without first obtaining the consent of Lender, which consent shall not be unreasonably withheld, conditioned or delayed.

(i) If the Sublease is canceled or terminated or rejected in a Bankruptcy Proceeding, and if Lender shall acquire the leasehold interest in any new lease of the property demised thereby, Mortgagor shall have no right, title or interest in or to the new lease or the leasehold estate created by such new lease.

## Section 2.08 Insurance; Casualty.

(a) If any damage or destruction to all or any part of the Premises or Equipment occurs during the term of the Loan, Section 3.2 of the Loan Agreement shall govern Mortgagor's obligation to repair, restore or rebuild the Premises or Equipment and the allocation of insurance Proceeds. Notwithstanding the foregoing, in the event of any conflict between Section 3.2 of the Loan Agreement and the REA (as defined in the Loan Agreement), the terms of the REA shall govern.

(b) Nothing in this Mortgage or in the other Loan Documents shall be deemed to limit Mortgagor's obligations under the Sublease to the extent that Mortgagor's obligation to provide insurance therein is greater than Mortgagor's obligation created hereunder.

Section 2.09 Condemnation. If a Condemnation of all or any part of the Premises occurs during the term of the Loan, Section 3.3 of the Loan Agreement shall govern the allocation of any Condemnation Award relating thereto. To the extent that any of such Condemnation Award remains after such allocation, such remaining Condemnation Award shall be allocated in accordance with the provisions of the Sublease. Notwithstanding the foregoing, in the event of any conflict between Section 3.3 of the Loan Agreement and the REA, the terms of the REA shall govern.

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Section 2.10 Prompt Notice. If Mortgagor becomes aware of (a) any damage or destruction to the Subleasehold Estate (or any portion thereof) the cost of which exceeds the threshold set forth in Section 3.2(a) of the Loan Agreement, or (b) any threatened, contemplated, or actual Condemnation, then Mortgagor shall promptly give notice of such casualty or Condemnation to Lender as provided in the Loan Agreement.

Section 2.11 Cancellation, Surrender, Amendment, Etc. Mortgagor shall not cancel, terminate, surrender, accept the surrender of, abandon, or reject the Sublease, or subordinate the Sublease to any encumbrance on Sublessor's interest in the Subleasehold Estate, without Lender's prior written consent, which may be granted or withheld in Lender's sole and absolute discretion. Further, Mortgagor shall not amend, modify or supplement the Sublease (other than pursuant to immaterial amendments that are solely ministerial in nature) without Lender's prior written consent, which shall not be unreasonably withheld, conditioned or delayed (which consent may be denied given when and as provided in Section 12.26 of the Loan Agreement). No such cancellation, termination (including Mortgagor's termination of the Sublease pursuant to any express right of termination set forth therein or under applicable law), surrender, acceptance of surrender, abandonment, amendment, modification or rejection of the Sublease, or subordination of the Sublease to any encumbrance on Sublessor's interest in the Subleasehold Estate, shall bind Lender unless done with Lender's consent or otherwise in accordance with this Mortgage.

Section 2.12 Options.

(a) To the extent that the Sublease grants Mortgagor any Option, Mortgagor shall, within fifteen (15) days of Mortgagor's receipt of notice from Sublessor triggering any such Option, provide notice to Lender of such Option and whether Mortgagor intends to elect to exercise the same.

(b) In the event Mortgagor exercises such Option, Mortgagor shall execute such amendment as is necessary as to extend the lien hereof to the interest so acquired and, if applicable, deliver to Lender such endorsement to Lender's Title Policy to reflect the leasehold interest in the Land (or a portion thereof) is included within the insured estate of Mortgagor.

(c) If Mortgagor elects not to exercise such Option, Mortgagor grants Lender the absolute right to exercise such Option (on behalf of Mortgagor) during any Event of Default, upon written notice to Mortgagor, and any such exercise of such Option by Lender shall be effective as if Mortgagor had exercised such Option. Any payment made by Lender in connection with such Option shall be deemed an Advance hereunder. Mortgagor shall cooperate with Lender in connection with any exercise by Lender of such Option, but Lender shall have no obligation to exercise such Option.

Section 2.13 Mortgagor's Cure Period Expiration Notice; Right to Cure. If a default by Mortgagor under the Sublease occurs, Lender shall have the right to cure such default in accordance with the terms of the Sublease. No performance by or on behalf of Lender shall cause it to become a "mortgagee in possession" or otherwise cause it to be deemed to be in possession of the Premises or bound by or liable under the Sublease.



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Section 2.14 Effect of Cure. Lender shall not be required to continue to exercise Lender's cure rights on account of a default by Mortgagor under the Sublease or otherwise proceed to obtain or to exercise control of the Premises (or portion thereof). Even if Lender has commenced to cure such default, Lender may abandon or discontinue such cure at any time, without liability to Sublessor or otherwise. Lender's exercise of its cure rights hereunder shall not be deemed an assumption of the Sublease in whole or in part.

Section 2.15 Lender's Right to Enter Premises. Mortgagor authorizes Lender to enter the Premises as reasonably necessary to effect Lender's cure rights and take any action(s) reasonably necessary to effect such cure rights. Lender's rights under this Section 2.15, the Loan Documents and in the Sublease to enter the Premises or the exercise of such rights shall not constitute control of the Premises or mean that Lender has possession of the Premises or liability to Sublessor or Mortgagor.

Section 2.16 Payments by Lender. Any payment made, or performance rendered, by Lender to Sublessor to cure any claimed default by Mortgagor under the Sublease shall be deemed to have been made or rendered "under protest" and without prejudice to Mortgagor's or Lender's rights and remedies if such Sublessor's claim of a default shall be determined to have been erroneous. Any payments made by Lender under this Article II, including, without limitation, any payments made by Lender in connection with the exercise of an Option, shall be deemed to be Advances.

Section 2.17 Notice; Intervention. In addition to all notices required to be delivered by Mortgagor to Lender hereunder, Mortgagor shall also give Lender prompt written notice of Mortgagor's receipt of any written notice of any material default given by Sublessor and written notice of any judicial reference or other legal proceedings between such Sublessor and Mortgagor involving obligations under the Sublease. Lender shall have the right to intervene in any such proceeding to protect its interest and may be made a party thereto, and Mortgagor hereby consents to such intervention. In the event that Lender shall not elect to intervene or become a party to any such proceedings, Mortgagor shall give Lender notice of, and a copy of, any award or decision made in any such proceedings.

Section 2.18 Mortgagee Protections. Lender shall be entitled to all leasehold mortgagee protections set forth in the Sublease.

Section 2.19 Approvals Contained in Sublease. To the extent that the Sublease requires Lender's approval with respect to the exercise of any rights therein or any other matters described therein, Mortgagor shall be required to obtain the approval of Lender even if the terms contained herein or in the other Loan Documents do not expressly provide that Lender's approval is required with respect to the exercise of such rights or the approval of such other matters, and Lender's approval shall not be unreasonably withheld, delayed or conditioned in connection therewith.

Section 2.20 No Merger. There shall be no merger of the Sublease or any interest therein or of the Subleasehold Estate (or any portion thereof), with such Sublessor's leasehold interest in the Land (or any portion thereof) by reason of the fact that the Sublease or such interest therein, or the Subleasehold Estate may be directly or indirectly held by or for the

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account of any Person who shall hold a leasehold and/or fee simple interest in all or a portion of the Land, nor shall there be any merger by reason of the fact that all or any part of the Subleasehold Estate may be conveyed or mortgaged in a subleasehold mortgage to a mortgagee who shall hold a leasehold and/or fee simple interest in the Land or any interest of a Sublessor under the Sublease.

Section 2.21 Compliance with and Exercise of Rights Under the Sublease. For the avoidance of doubt, this Mortgage does not, and shall not be deemed to, encumber Sublessor's interest in the Land (or any portion thereof).

## ARTICLE III

### SECURITY AGREEMENT

Section 3.01 Warranties, Representations and Covenants of Mortgagor. Mortgagor covenants, warrants, represents and agrees with and to Lender as follows:

(a) This Mortgage constitutes a security agreement under the Code and serves as a fixture filing in accordance with the Code. This Mortgage creates, and Mortgagor hereby grants to Lender, a security interest in favor of Lender as secured party under the Code with respect to all of the Mortgaged Property which is covered by the Code. The mention of any portion of the Mortgaged Property in a financing statement filed in the records normally pertaining to personal property shall not derogate from or impair in any manner the intention of Mortgagor and Lender hereby declared that all items of the Collateral are part of the property encumbered hereby to the fullest extent permitted by law, regardless of whether any such item is physically attached to the Improvements or whether serial numbers are used for the better identification of certain items. Specifically, the mention in any such financing statement of: (i) the rights in or to the Proceeds of any policy of insurance; (ii) any condemnation Proceeds; (iii) Mortgagor's interest in any Leases or Property Income; or (iv) any other item included in the Mortgaged Property, shall not be construed to alter, impair or impugn any rights of Lender as determined by this Mortgage or the priority of Lender's lien upon and security interest in the Mortgaged Property. Any such mention shall be for the protection of Lender in the event that notice of Lender's priority of interest as to any portion of the Mortgaged Property is required to be filed in accordance with the Code to be effective against or take priority over the interest of any particular class of Persons, including the federal government or any subdivision or instrumentality thereof.

(b) Except for the Permitted Encumbrances and the security interest granted by this Mortgage, Mortgagor is and, as to portions of the Mortgaged Property to be acquired after the date hereof, will be the sole owner of the Mortgaged Property, free from any lien, security interest, encumbrance or adverse claim thereon of any kind whatsoever. Mortgagor shall notify Lender of (to the extent notice is required under the Loan Agreement), and shall defend the Mortgaged Property against, all claims and demands of all Persons at any time claiming the same or any interest therein, other than with respect to Permitted Encumbrances.

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(c) Except as expressly permitted under the Loan Agreement, Mortgagor shall not lease, sell, convey or in any manner transfer the Mortgaged Property without the prior consent of Lender.

(d) The Mortgaged Property is not and will not be used or bought for personal, family or household purposes.

(e) The Equipment shall be kept on the Land or in the Improvements, and Mortgagor shall not remove the Equipment from the Land or the Improvements without the prior consent of Lender, except for (i) Equipment in transit or out for repair, (ii) obsolete Equipment or Equipment no longer useful in Mortgagor's business and (iii) such portions or items of the Equipment as are consumed or worn out in ordinary usage, which shall be promptly replaced by Mortgagor with items of equal or greater value.

(f) Mortgagor shall provide Lender upon Lender's request from time to time (but not more than once per calendar year during the term of the Loan unless an Event of Default has occurred and is continuing) with an inventory of the Collateral in form and substance acceptable to Lender in its reasonable discretion.

(g) Mortgagor shall not change its jurisdiction of formation or its legal entity name without providing Lender with at least thirty (30) days' prior written notice. In the event of any change in the legal name, identity or structure of Mortgagor, Mortgagor shall notify Lender thereof and promptly after request shall execute, file and record such Code forms as are necessary to maintain the priority of Lender's lien upon and security interest in the Mortgaged Property, and shall pay all out-of-pocket expenses and fees in connection with the filing and recording thereof. If Lender shall require the filing or recording of additional Code forms or continuation statements, Mortgagor shall, promptly after request, execute, file and record such Code forms or continuation statements as Lender shall deem necessary in its reasonable discretion (subject to Lender's right to sign such statements on behalf of Mortgagor as provided in Section 3.01(h)), and shall pay all out-of-pocket expenses and fees in connection with the filing and recording thereof. If Lender shall initially pay such expenses, Mortgagor shall promptly reimburse Lender for the expenses.

(h) Mortgagor hereby authorizes Lender to file with the appropriate public office, at Mortgagor's expense any financing statements, amendments or continuations thereof, identifying Mortgagor as debtor and Lender as secured party in connection with the Mortgaged Property. Any such financing statement or other document may describe the collateral covered thereby as "all assets" or "all personal property" (even if such description is broader than the collateral granted in this Mortgage and other Loan Documents) or may describe such collateral more particularly. Mortgagor hereby expressly acknowledges that Lender intends to file an "all assets" financing statement and authorizes Lender to file such financing statement.

(i) Mortgagor represents that its exact legal name is as set forth on the Cover Sheet of this Mortgage.

(j) Mortgagor's Federal Tax Identification Number is 80-0804702 and Mortgagor's Organizational Number is 5136375.

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(k) Mortgagor shall not file any termination statements under the Code concerning Lender's security interest in the Mortgaged Property without Lender's prior consent unless the Indebtedness (other than inchoate indemnity obligations) has been repaid and this Mortgage has been released.

(l) Where Collateral is in possession of a third party, Mortgagor will, upon Lender's request, join with Lender in notifying the third party of Lender's interest and obtaining an acknowledgment from the third party that it is holding the Collateral for the benefit of Lender.

(m) Mortgagor will cooperate with Lender in obtaining control with respect to Collateral consisting of deposit accounts, investment property, letter of credit rights and electronic chattel paper.

Section 3.02 Financing Statements. A CARBON, PHOTOGRAPHIC OR OTHER REPRODUCTION OF THIS MORTGAGE OR ANY FINANCING STATEMENT RELATING TO THIS MORTGAGE SHALL BE SUFFICIENT AS A FINANCING STATEMENT.

Section 3.03 Addresses. The state of organization, organizational ID number and mailing address of Mortgagor are set forth on the Cover Sheet and in the preamble of this Mortgage. Mortgagor maintains its sole place of business or its chief executive office at the address shown in said preamble, and Mortgagor shall promptly notify Lender in writing of any change in said place of business or chief executive office.

Section 3.04 Fixture Filing. This Mortgage shall constitute a fixture filing under the Code as to any goods and other personal property included in the Mortgaged Property in which Mortgagor has granted to Lender a security interest as provided in this Article III which are or may become fixtures under applicable law. Mortgagor is the "debtor" and Lender is the "secured party" as such terms are defined in the Code. This fixture filing is to be recorded in the Official Records of Cook County, Illinois.

## ARTICLE IV

### DEFAULT AND REMEDIES

Section 4.01 Remedies. Upon the occurrence and during the continuation of any Event of Default, Lender may take such actions against Mortgagor and/or the Mortgaged Property or any portion thereof as it deems advisable to protect and enforce its rights against Mortgagor and in and to the Mortgaged Property granted pursuant to the Loan Documents, without notice or demand except as set forth herein and in the other Loan Documents. Any such actions taken by Lender shall be cumulative and concurrent and may be pursued independently, singly, successively, together or otherwise, at such time and in such order as Lender may determine in its sole discretion, to the fullest extent permitted by law and subject to any limitations contained in the Loan Documents, without impairing or otherwise affecting the other rights and remedies of Lender permitted by law, equity or contract or as set forth herein or in the other Loan Documents. Such actions may include the following:

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(a) Lender may declare the entire principal balance under the Note then unpaid, together with all accrued and unpaid interest thereon, prepayment fees due thereunder, and all other unpaid Indebtedness, to be immediately due and payable.

(b) To the extent permitted by applicable laws, Lender may enter into or upon the Mortgaged Property, personally or by its agents, nominees or attorneys, and may dispossess Mortgagor and its agents and servants therefrom, and thereupon Lender at its sole discretion may, subject to the terms of the Leases and any applicable provisions of the Loan Documents: (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every portion of the Mortgaged Property and conduct business thereon, in any case either in the name of Lender or in such other name as Lender shall deem best; (ii) complete any construction on the Mortgaged Property in such manner and form as Lender deems advisable; (iii) make alterations, additions, renewals, replacements and improvements to or on the Mortgaged Property; (iv) exercise all rights and powers of Mortgagor with respect to the Mortgaged Property, whether in the name of Mortgagor or otherwise, including the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Property Income; and (v) apply the receipts of Property Income to the payment of the Indebtedness (including any prepayment fee payable under the Loan Agreement) in such order as set forth in Section 2.7 of the Loan Agreement.

(c) With or without entry, personally or by its agents, nominees or attorneys, Lender may sell all or any portion of the Mortgaged Property and all or any portion of Mortgagor's estate, right, title, interest, claim and demand therein and right of redemption thereof at one or more private or public sales in the manner and to the extent permitted by law, as an entirety or in parcels or portions, and Lender shall have any statutory power of sale as may be provided by law in the State.

(d) Lender may institute proceedings for the complete foreclosure of this Mortgage, in which case the Mortgaged Property may be sold for cash or upon credit, as an entirety or in parcels or portions.

(e) Lender may institute proceedings for the partial foreclosure of this Mortgage for the portion of the Indebtedness then due and payable, subject to the continuing lien of this Mortgage for the balance of the Indebtedness not then due.

(f) Lender may institute an action, suit or proceeding at law or in equity for the specific performance of any covenant, condition or agreement contained in the Note, this Mortgage or any other Loan Document, or in aid of the execution of any power granted hereunder or for the enforcement of any other appropriate legal or equitable remedy.

(g) Lender shall have the rights and may take such actions as are set forth, described or referred to in Article VI of this Mortgage entitled "State Law Provisions" or as are permitted by the laws of the State.

(h) Lender may recover judgment on the Loan Agreement and the Note, either before, during or after any proceedings for the foreclosure or enforcement of this Mortgage.



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(i) Lender may secure the appointment of a receiver, trustee, liquidator or similar official of the Mortgaged Property or any portion thereof, and Mortgagor shall not object or seek to prohibit such appointment, without regard to the adequacy of the security for the Indebtedness and without regard to the solvency of Mortgagor or any other Person liable for the payment of the Indebtedness, and such receiver or other official shall have all rights and powers permitted by applicable law and such other rights and powers as the court making such appointment may confer, but the appointment of such receiver or other official shall not impair or in any manner prejudice the rights of Lender to receive the Property Income pursuant to this Mortgage or the Assignment.

(j) Lender may exercise any or all of the remedies available to a secured party under the Code.

(k) Lender may pursue any other rights and remedies of Lender permitted by law, equity or contract or as set forth herein or in the other Loan Documents.

(l) Lender may, in its sole discretion, apply any funds then on deposit with Lender, including but not limited to such funds on deposit for the payment of Impositions, ground rent or insurance premiums, to the payment of such items or to the repayment of the Indebtedness.

(m) Intentionally omitted.

(n) To the extent permitted by law, exercise any power of sale.

## Section 4.02 General Provisions Regarding Remedies.

(a) Proceeds of Sale. The proceeds of any sale of the Mortgaged Property or any part thereof received by Lender shall be distributed and applied to the amounts set forth in Section 2.7 of the Loan Agreement in such order and priority as set forth therein.

(b) Effect of Judgment. No recovery of any judgment by Lender and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of Mortgagor shall affect in any manner or to any extent the lien of this Mortgage upon the Mortgaged Property or any portion thereof, or any rights, powers or remedies of Lender hereunder. Such lien, rights, powers and remedies of Lender shall continue unimpaired as before.

(c) Continuing Power of Sale. The power of sale conferred upon Lender in this Mortgage shall not be exhausted by any one or more sales as to any portion of the Mortgaged Property remaining unsold, but shall continue unimpaired until all of the Mortgaged Property is sold or all of the Indebtedness (other than inchoate indemnity obligations) is paid.

(d) Right to Purchase. At any sale of the Mortgaged Property or any portion thereof pursuant to the provisions of this Mortgage, Lender shall have the right to purchase the Mortgaged Property being sold, and in such case shall have the right to credit against the amount of the bid made therefor (to the extent necessary) all or any portion of the Indebtedness then due. Further, to the extent permitted by law, the price payable by Mortgagor or any other Person in the exercise of the right of redemption, if any, from any sale under or decree of foreclosures of

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this Mortgage shall include all rents and other amounts paid and other sums advanced by Lender on behalf of Mortgagor under the Sublease.

(e) Right to Terminate Proceedings. Lender may terminate or rescind any proceeding or other action brought in connection with its exercise of the remedies provided in Section 4.01 at any time before the conclusion thereof, as determined in Lender's sole discretion and without prejudice to Lender.

(f) No Waiver or Release. Lender may resort to any remedies and the security given by the Loan Documents, in whole or in part, and in such portions and in such order as determined in Lender's sole discretion. No such action shall in any way be considered a waiver of any rights, benefits or remedies evidenced or provided by the Loan Documents. The failure of Lender to exercise any right, remedy or option provided in the Loan Documents shall not be deemed a waiver of such right, remedy or option or of any covenant or obligation secured by the Loan Documents. No acceptance by Lender of any payment after the occurrence of an Event of Default and no payment by Lender of any Advance or obligation for which Mortgagor is liable hereunder shall be deemed to waive or cure such Event of Default or Mortgagor's liability to pay such obligation. No sale of all or any portion of the Mortgaged Property, no forbearance on the part of Lender, and no extension of time for the payment of the whole or any portion of the Indebtedness or any other indulgence given by Lender to Mortgagor or any other Person, shall operate to release or in any manner affect Lender's interest in the Mortgaged Property or the liability of Mortgagor to pay the Indebtedness, except to the extent that such liability shall be reduced by proceeds of the sale of all or any portion of the Mortgaged Property received by Lender. No waiver by Lender shall be effective unless it is in a writing executed by Lender and then only to the extent specifically stated therein.

(g) No Impairment; No Release. The interests and rights of Lender under the Loan Documents shall not be impaired by any indulgence (except to the extent expressly set forth in any written waiver, amendment or other modification signed by Lender), including: (i) any renewal, extension or modification which Lender may grant with respect to any of the Indebtedness; (ii) any surrender, compromise, release, renewal, extension, exchange or substitution which Lender may grant with respect to the Mortgaged Property or any portion thereof; or (iii) any release or indulgence granted to any maker, endorser, guarantor or surety of any of the Indebtedness. If the Mortgaged Property is sold and Lender enters into any agreement with the then owner of the Mortgaged Property extending the time of payment of the Indebtedness, or otherwise modifying the terms hereof or of any other Loan Document, Mortgagor shall continue to be liable to pay the Indebtedness according to the tenor of any such agreement unless expressly released and discharged in writing by Lender.

(h) Waivers and Agreements Regarding Remedies. To the fullest extent that Mortgagor may legally do so, Mortgagor:

(i) agrees that Mortgagor will not at any time insist upon, plead, claim or take the benefit or advantage of any laws now or hereafter in force providing for any appraisal or appraisement, valuation, stay, extension or redemption, and waives and releases all rights of redemption, valuation, appraisal or appraisement, stay of execution, extension and notice of election to accelerate or declare due the whole of the Indebtedness;

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(ii) waives all rights to a marshalling of the assets of Mortgagor, Mortgagor's partners, if any, and others with interests in Mortgagor, including the Mortgaged Property, or to a sale in inverse order of alienation in the event of foreclosure of the interests hereby created, and agrees not to assert any right under any laws pertaining to the marshalling of assets, the sale in inverse order of alienation, homestead exemption, the administration of estates of decedents, or any other matters whatsoever to defeat, reduce or affect the right of Lender under the Loan Documents to a sale of the Mortgaged Property for the collection of the Indebtedness without any prior or different resort for collection, or the right of Lender to the payment of the Indebtedness out of the proceeds of sale of the Mortgaged Property in preference to every other claimant whatsoever;

(iii) waives any right to bring or utilize any defense, counterclaim or setoff, other than one in good faith, which denies the existence or sufficiency of the facts upon which the foreclosure action is grounded or which is based on Lender's wrongful actions. If any defense, counterclaim or setoff (other than one permitted by the preceding sentence) is raised by Mortgagor in such foreclosure action, such defense, counterclaim or setoff shall be dismissed. If such defense, counterclaim or setoff is based on a claim which could be tried in an action for money damages, the foregoing waiver shall not bar a separate action for such damage (unless such claim is required by law or applicable rules of procedure to be pleaded in or consolidated with the action initiated by Lender), but such separate action shall not thereafter be consolidated with Lender's foreclosure action. The bringing of such separate action for money damages shall not be deemed to afford any grounds for staying any such foreclosure action;

(iv) waives and relinquishes any and all rights and remedies which Mortgagor may have or be able to assert by reason of the provisions of any laws pertaining to the rights and remedies of sureties;

(v) waives the defense of lache, and any applicable status of limitation; and

(vi) waives any right to have any trial, action or proceeding tried by a jury.

(i) Lender's Discretion. Except as expressly set forth herein or in any other Loan Document to the contrary, Lender may exercise its rights, options and remedies and may make all decisions, judgments and determinations under this Mortgage and the other Loan Documents in its sole and absolute discretion.

(j) Recitals of Facts. In the event of a sale or other disposition of the Mortgaged Property pursuant to Section 4.01 and the execution of a deed or other conveyance pursuant thereto, the recitals therein of facts (such as default, the giving of notice of default and notice of sale, demand that such sale should be made, postponement of sale, terms of sale, purchase, payment of purchase money and other facts affecting the regularity or validity of such sale or disposition) shall be conclusive proof of the truth of such facts. Any such deed or conveyance shall be conclusive against all Persons as to such facts recited therein.

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(k) Lender's Right to Waive, Consent or Release. Lender may at any time, in writing: (i) waive compliance by Mortgagor with any covenant herein made by Mortgagor to the extent and in the manner specified in such writing; (ii) consent to Mortgagor's doing any act which Mortgagor is prohibited hereunder from doing, or consent to Mortgagor's failing to do any act which Mortgagor is required hereunder to do, to the extent and in the manner specified in such writing; or (iii) release any portion of the Mortgaged Property, or any interest therein, from this Mortgage and the lien of the other Loan Documents. No such act shall in any way impair the rights of Lender hereunder except to the extent specified by Lender in such writing.

(l) Possession of the Mortgaged Property. Upon the occurrence and during the continuation of any Event of Default and demand by Lender at its option, to the extent permitted by applicable law, Mortgagor shall immediately surrender or cause the surrender of possession of the Premises to Lender. If Mortgagor or any other occupant is permitted to remain in possession, such possession shall be as tenant of Lender and such occupant: (i) shall on demand pay to Lender monthly, in advance, reasonable use and occupancy charges for the space so occupied; and (ii) in default thereof, may be dispossessed by the usual summary proceedings. Upon the occurrence and during the continuation of any Event of Default and demand by Lender, Mortgagor shall assemble the Collateral and make it available at any place Lender may designate to allow Lender to take possession and/or dispose of the Collateral. The covenants herein contained may be enforced by a receiver of the Mortgaged Property or any portion thereof. Nothing in this Section 4.02(l) shall be deemed a waiver of the provisions of this Mortgage prohibiting the sale or other disposition of the Mortgaged Property without the prior consent of Lender.

(m) Limitations on Liability. Notwithstanding anything contained herein to the contrary, Mortgagor's liability hereunder is subject to the limitation on liability provisions of Article 11 of the Loan Agreement, which Article 11 is incorporated herein by reference, mutatis mutandis, as if such Article 11 was set forth in full herein.

(n) Subrogation. If all or any portion of the proceeds of the Note or any Advance shall be used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any prior lien or encumbrance upon the Mortgaged Property or any portion thereof, then Lender shall be subrogated to, and shall have the benefit of the priority of, such other lien or encumbrance and any additional security held by the holder thereof.

(o) Multiple Security and Other Loan Documents. Mortgagor acknowledges that Lender is extending credit based upon the aggregate values of the real and personal property included in the Mortgaged Property and certain other real and personal property more particularly described in the Loan Agreement and other Loan Agreement and other Loan Documents (collectively, the "Security"). Accordingly, Mortgagor agrees that during the existence of any Event of Default, Lender shall be allowed, to the greatest extent permitted by applicable law, to pursue and realize upon all of the remedies available to Lender under any of the Loan Documents, at law, in equity or otherwise, simultaneously or consecutively, in Lender's sole and absolute discretion, including without limitation commencement of one or more actions in one or more jurisdictions for repayment of all or portions of the Indebtedness, for the separate or simultaneous sale or foreclosure of real and/or personal property or portions thereof, for the obtaining of judgments, for the seeking of injunctive relief and for maximum access to and

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realization from the Security or portions thereof (including, initial limitation, the Mortgaged Property) in such manner as Lender may deem in its interest, and Mortgagor hereby waives any requirement that any deficiency judgment proceeding be initiated or completed with respect to any property included in the Security as a condition to commencing any enforcement proceedings against any party or any other portion of the Security. In addition to any other consents, waivers and agreements set forth in any of the Loan Documents, and without limiting the foregoing, Mortgagor agrees that, to the maximum extent permitted by applicable law, Lender may foreclose on and/or sell all properties located in the same state in any one or more counties where any of the properties in that state are located, that any personal property located on real property encumbered by the Loan Documents may be foreclosed upon in the manner provided for, simultaneously with and as a part of the proceeding for foreclosure of the real property, and that Mortgagor hereby waives the benefits of any "one-action rule" of any state which may be applicable to it or to any of the Security and waives marshaling of assets for itself and all other parties claiming by, through or under it. Mortgagor agrees that the actions, sales, proceedings and foreclosures described above may be commenced in any order determined by Lender in its sole discretion.

(p) Attorney-in-Fact. Mortgagor hereby appoints Lender its true and lawful attorney-in-fact (which appointment shall only be exercised during the continuance of an Event of Default) to execute and deliver all such instruments and documents in the name and on behalf of Mortgagor with respect to Mortgagor's rights, duties and privileges under the Sublease, including, without limitation, the right to effectuate any extension or renewal of the Sublease if such rights would otherwise expire prior to Lender's taking possession of the Mortgaged Property through foreclosure of this Mortgage and/or any right to terminate the Sublease and cause Sublessor to deed its leasehold interest in the Land (or any portion thereof) to Mortgagor and/or Sublessor pursuant to the terms of the Sublease. This power, being coupled with an interest, shall be irrevocable as long as the Indebtedness remains unpaid and is granted, effective and enforceable in a commercial transaction notwithstanding that Lender's interests may be or become adverse to Mortgagor.

## ARTICLE V

### MISCELLANEOUS

Section 5.01 Notices. All notices, consents, approvals and requests required or permitted hereunder or under any other Loan Document shall be given in writing and shall be effective for all purposes if delivered to the Persons and locations and in the manner set forth in Section 12.1 of the Loan Agreement.

Section 5.02 Binding Obligations. The provisions and covenants of this Mortgage shall run with the land, shall be binding upon Mortgagor, its successors and assigns, and shall inure to the benefit of Lender, its successors and assigns.

Section 5.03 Captions. The captions of the sections and subsections of this Mortgage are for convenience only and are not intended to be a part of this Mortgage and shall not be deemed to modify, explain, enlarge or restrict any of the provisions hereof.



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Section 5.04 Severability. If any one or more of the provisions contained in this Mortgage shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Mortgage, but this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 5.05 Amendments; Consents. This Mortgage cannot be altered, amended, modified or discharged orally and no executory agreement shall be effective to modify or discharge it in whole or in part, unless in writing and signed by the party against which enforcement is sought. No consent or approval required hereunder or under any other Loan Document shall be binding unless in writing and signed by the party sought to be bound.

Section 5.06 Other Loan Documents and Exhibits. All of the agreements, conditions, covenants, provisions and stipulations contained in the Loan Agreement, the Note and the other Loan Documents, and each of them, which are to be kept and performed by Mortgagor are hereby made a part of this Mortgage to the same extent and with the same force and effect as if they were fully set forth in this Mortgage, and Mortgagor shall keep and perform the same, or cause them to be kept and performed, strictly in accordance with their respective terms. The Cover Sheet and each exhibit, schedule and rider attached to this Mortgage are integral parts of this Mortgage and are incorporated herein by this reference. In the event of any conflict between the provisions of any such exhibit, schedule or rider and the remainder of this Mortgage, the provisions of such exhibit, schedule or rider shall prevail.

## Section 5.07 Legal Construction.

(a) In all respects, including, without limitation, matters of construction and performance of this Mortgage and the obligations arising hereunder, this Mortgage shall be governed by, and construed in accordance with, the laws of the State of Illinois applicable to contracts and obligations made and performed in such State and any applicable laws of the United States of America. Interpretation and construction of this Mortgage shall be according to the contents hereof and without presumption or standard of construction in favor of or against Mortgagor or Lender.

(b) All terms contained herein shall be construed, whenever the context of this Mortgage so requires, so that the singular number shall include the plural, and the plural the singular, and the use of any gender shall include all genders.

(c) The terms "include" and "including" as used in this Mortgage shall be construed as if followed by the phrase "without limitation". The words "hereof," "herein" and "hereunder" and words of similar import when used in this Mortgage shall refer to this Mortgage as a whole and not to any particular provision of this Mortgage, and Article, Section and Exhibit references contained in this Mortgage are references to Articles, Sections and Exhibits in or to this Mortgage unless otherwise specified.

(d) Any provision of this Mortgage or in the other Loan Documents permitting the recovery of "attorneys' fees", "attorneys' fees and expenses", "attorneys' fees and costs" or "attorneys' fees, costs and expenses" or any similar term shall be deemed: (i) to

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include such attorneys' fees, costs and expenses; (ii) to include such fees, costs and expenses incurred in all probate, appellate and bankruptcy proceedings, as well as any post-judgment proceedings to collect or enforce any judgment or order relating to the Indebtedness or any of the Loan Documents; and (iii) shall be deemed to be separate and several, and shall survive merger into judgment.

## Section 5.08 Intentionally Omitted.

Section 5.09 Time of the Essence. Time shall be of the essence in the performance of all obligations of Mortgagor under this Mortgage.

Section 5.10 Repayment and Release. If all of the Indebtedness (other than inchoate indemnity obligations) is paid in full in accordance with the Loan Agreement, the Note, this Mortgage and the other Loan Documents, then in that event only all rights of Lender under this Mortgage and the other Loan Documents shall terminate and the Mortgaged Property shall become wholly clear of the liens, grants, security interests, conveyances and assignments evidenced hereby and thereby, and Lender shall release or cause to be released such liens, grants, assignments, conveyances and security interests in due form at Mortgagor's cost (to the extent permitted by the law of the State), and this Mortgage shall be void; provided, however, that no provision of this Mortgage or any other Loan Document which, by its own terms, is intended to survive such payment, performance, and release (nor the rights of Lender under any such provision) shall be affected in any manner thereby and such provision shall, in fact, survive. Recitals of any matters or facts in any release instrument executed by Lender under this Section 5.10 shall be conclusive proof of the truthfulness thereof. To the extent permitted by law, such an instrument may describe the grantee or releasee as "the person or persons legally entitled thereto" and Lender shall not have any duty to determine the rights of persons claiming to be rightful grantees or releasees of any of the Mortgaged Property. When this Mortgage has been fully released or discharged by Lender, the release or discharge hereof shall operate as a release and discharge of the Assignment and as a reassignment of all Leases and Property Income with respect to the Mortgaged Property to the person or persons legally entitled thereto, unless such release expressly provides to the contrary.

Section 5.11 Suretyship Waivers. Mortgagor understands that this Mortgage secures not only Mortgagor's obligations under the Loan Documents but also the obligations of the Leasehold Mortgagor and Fee Mortgagor (collectively, "**Other Mortgagors**") under the Loan Documents and that the Lender would not have made the Loan but for the agreement of Mortgagor and each Other Mortgagor to be jointly and severally liable for each and every obligation of the "Borrower" set forth in the Loan Agreement. Mortgagor agrees that it has received sufficient consideration for its agreement to be bound by and to the extent of the terms hereof. In particular, Mortgagor is of the view that the financial accommodations offered to each of Mortgagor and the Other Mortgagors under the Loan Agreement will enhance the aggregate borrowing powers of Mortgagor and the Other Mortgagors, and that Mortgagor will receive substantial direct and/or indirect benefits by reason of the making of the Loan and other financial accommodations provided in the Loan Agreement. To the extent that, notwithstanding the above and the express intent of the parties, Mortgagor is deemed to be a surety or guarantor of any Other Mortgagor, then Mortgagor hereby waives any and all suretyship defenses or defenses in the nature thereof.

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Section 5.12 Conflict. Notwithstanding anything to the contrary herein, this Mortgage shall be subject to the terms and conditions of the Loan Agreement and in the event of any conflict between the terms and conditions of this Mortgage and the terms and conditions of the Loan Agreement, the terms and conditions of the Loan Agreement shall prevail.

Section 5.13 Sublease Bankruptcy-Related Provisions.

(a) If the Sublease is rejected in any case, proceeding or other action commenced by or against the lessor under the Sublease (or any Person or party constituting or having an interest in the Sublease) under the Federal Bankruptcy Code or any comparable federal or state statute or law, (i) Mortgagor, promptly after obtaining notice thereof, shall give notice thereof to Lender, (ii) Mortgagor, without the prior written consent of Lender, shall not elect to treat the Sublease as terminated pursuant to Section 365(h)(1)(A)(i) of the Federal Bankruptcy Code or any comparable federal or state statute or law, and any election by Mortgagor made without such consent shall be void, and (iii) this Mortgage and all the liens, terms, covenants and conditions of this Mortgage shall extend to and cover Mortgagor's possessory rights under Section 365(h) of the Federal Bankruptcy Code and to any claim for damages due to lessor's rejection of the Sublease. In addition, Mortgagor hereby assigns to Lender Mortgagor's rights to remain in possession of the premises demised under the Sublease and to offset rents under the Sublease under Section 365(h)(1)(A)(ii) of the Federal Bankruptcy Code in the event any case, proceeding or other action is commenced by or against the lessor under the Sublease under the Federal Bankruptcy Code or any comparable federal or state statute or law.

(b) Mortgagor shall not, without Lender's prior written consent, elect to treat the Sublease as terminated in connection with any proposed sale by any Sublessor of the Mortgaged Property (or any portion thereof) pursuant to Section 363 of the Federal Bankruptcy Code. Any such election made without Lender's prior written consent shall be void. Mortgagor hereby irrevocably constitutes and appoints Lender as Mortgagor's true and lawful attorney-in-fact (which power is coupled with an interest, is given in a commercial transaction and is deemed to be non-cancelable, with full power of substitution) to, upon the filing for protection under the Federal Bankruptcy Code by Sublessor, at the Mortgagor's sole cost and expense, (i) file a request for special notice on behalf of itself, and on behalf of Lender, of all matters arising as a result of such Sublessor's bankruptcy; (ii) file an objection to any proposed sale of the Mortgaged Property (or portion thereof) free and clear of the rights of Mortgagor under Section 363(f) of the Federal Bankruptcy Code; (iii) assign to Lender all amounts necessary to satisfy Mortgagor's obligations under the Loan Documents; and (iv) unless all loans secured by Mortgagor's subleasehold interest in the Mortgaged Property will be satisfied from any award of adequate protection and Mortgagor assigns to Lender all amounts necessary to satisfy its obligations under the Loan Documents, file a request for stay pending appeal of any sale order authorizing a sale of the Mortgaged Property free and clear of Mortgagor's subleasehold interest in the Mortgaged Property, and, if required by Lender, post any bonds required in connection with such appeal. In addition, Mortgagor shall consult with Lender regarding, and Lender shall be entitled to participate in, any hearings to establish the value of Mortgagor's subleasehold interest in the Mortgaged Property or the rights of Mortgagor under the Sublease, and Mortgagor should not propose or agree to any value of such interest or any termination or cancellation of its rights under the Sublease.

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(c) Mortgagor hereby assigns to Lender Mortgagor's right to seek an extension of the sixty (60) day period within which Mortgagor must accept or reject the Sublease under Section 365 of the Federal Bankruptcy Code or any comparable federal or state statute or law with respect to any case, proceeding or other action commenced by or against Mortgagor under the Federal Bankruptcy Code or comparable federal or state statute or law. Furthermore, if Mortgagor shall desire to reject the Sublease under the Federal Bankruptcy Code or any comparable federal or state statute or law, Mortgagor shall, at Lender's request, assign its interest in the Sublease to Lender in lieu of rejecting the Sublease as described above, upon receipt by Mortgagor of written notice from Lender of such request together with the agreement of Lender to cure any existing defaults of Mortgagor under the Sublease.

(d) No release or forbearance of any of Mortgagor's obligations under the Sublease, pursuant to the Sublease or otherwise, shall release Mortgagor from any of its obligations under this Mortgage or the other Loan Documents.

## ARTICLE VI

### STATE LAW PROVISIONS

Section 6.01 The provisions of this Article VI are an integral part of this Mortgage and in the event of any inconsistencies between the terms and conditions of any other section or provision of this Mortgage and this Article VI, the terms and conditions of this Article VI shall control.

Section 6.02 Business Purpose. The proceeds of the indebtedness secured hereby referred to herein shall be used solely for business purposes and in furtherance of the regular business affairs of Mortgagor and the Other Mortgagors, and the entire principal obligation secured by this Mortgage constitutes (a) a "business loan" as that term is defined in, and for all purposes of, 815 ILCS 205/4(1)(c), and (b) a "loan secured by a mortgage on real estate" within the purview and operation of 815 ILCS 205/4(1).

Section 6.03 Illinois Mortgage Foreclosure Law. It is the intention of Mortgagor and Lender that the enforcement of the terms and provisions of this Mortgage shall be accomplished in accordance with the Illinois Mortgage Foreclosure Law (the "Act"), 735 ILCS 5/15-1101 et seq., and with respect to such Act, Mortgagor agrees and covenants that:

(a) In the event any provision in this Mortgage shall be inconsistent with any provision of the Act, the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provisions of this Mortgage that can be construed in a manner consistent with the Act.

(b) If any provision of this Mortgage shall grant to Lender any rights or remedies upon default of Mortgagor which are more limited than the rights that would otherwise be vested in Lender under the Act in the absence of said provision, Lender shall be vested with the rights granted in the Act to the full extent permitted by law.

(c) Mortgagor and Lender shall have the benefit of all of the provisions of the Act, including all amendments thereto which may become effective from time to time after the



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date hereof. In the event any provision of the Act which is specifically referred to herein may be repealed, Mortgagor and Lender shall have the benefit of such provision as most recently existing prior to such repeal, as though the same were incorporated herein by express reference;

(d) 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 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 the Lender shall continue in the Lender as judgment creditor or mortgagee until confirmation of sale;

(e) In addition to any provision of this Mortgage authorizing the Lender to take or be placed in possession of the Mortgaged Property, or for the appointment of a receiver, Lender shall have the right, in accordance with Sections 15-1701 and 15-1702 of the Act, to be placed in the possession of the Mortgaged Property or at its request to have a receiver appointed, and such receiver, or Lender, if and when placed in possession, shall have, in addition to any other powers provided in this Mortgage, all rights, powers, immunities, and duties as provided for in Sections 15-1701 and 15-1703 of the Act; and

(f) Mortgagor acknowledges that the Mortgaged Property does not constitute agricultural real estate, as said term is defined in Section 15-1201 of the Act or residential real estate as defined in Section 15-1219 of the Act.

(g) Mortgagor hereby voluntarily and knowingly waives its statutory rights to redemption pursuant to 735 ILCS Section 5/15-1601(b).

(h) 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 the Mortgage or by the Act (collectively "**Protective Advances**"), shall have the benefit of all applicable provisions of the Act, including those provisions of the Act hereinbelow referred to:

(i) all advances by Lender in accordance with the terms of the Mortgage to: (A) preserve, maintain, repair, restore or rebuild the improvements upon the Mortgaged Property; (B) preserve the lien of the Mortgage or the priority thereof; or (C) enforce the Mortgage, as referred to in Subsection (b)(5) of Section 5/15-1302 of the Act;

(ii) payments by Lender of (A) principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrances; (B) real estate taxes and assessments, general and 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; (C) other obligations authorized by the Mortgage; or (D) 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 5/15-1505 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;



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(iv) reasonable attorneys' fees and other costs incurred: (A) in connection with the foreclosure of the Mortgage as referred to in Section 5/15-1504(d)(2) and 5/15-1510 of the Act; (B) in connection with any action, suit or proceeding brought by or against the Lender for the enforcement of the Mortgage or arising from the interest of the Lender hereunder; or (C) in preparation for or in connection with the commencement, prosecution or defense of any other action related to the Mortgage or the Mortgaged Property;

(v) Lender's fees and costs, including reasonable attorneys' fees, arising between the entry of judgment of foreclosure and the confirmation hearings as referred to in Section 5/15-1508(b)(1) of the Act;

(vi) expenses deductible from proceeds of sale as referred to in Section 5/15-1512(a) and (b) of the Act; and

(vii) expenses incurred and expenditures made by Lender for any one or more of the following: (A) if the Mortgaged Property or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof; (B) 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; (C) 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 Section 5/15-1704(c)(1) of the Act; (D) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (E) 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 or of affecting the Mortgaged Property; (F) shared 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 Mortgaged Property; and (G) payments required to be paid by Mortgagor or Lender pursuant to any lease or other agreement for occupancy of the Mortgaged Property.

(i) 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 rate of interest payable after default under the terms of the Note.

(j) 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 5/15-1302 of the Act.

Section 6.04 Notes. The Note provides, among other things, for final payment of principal and interest under the Note, if not sooner paid or payable as provided therein, to be due no later than the Maturity Date, and for an applicable interest rate of three and 72/100ths percent (3.72%) per annum, which Note is by this reference thereto being incorporated herein.

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Section 6.05 Additional Advances. This Mortgage secures payment of such additional sums with interest thereon which may hereafter be loaned to Mortgagor by Lender or advanced under the any of the Loan Documents securing or evidencing the Loan, even though the aggregate amount outstanding at any time may exceed the original principal balance stated herein and in the Note (provided, however, that the indebtedness secured hereby shall in no event exceed an amount equal to Two Hundred Eighty Million Dollars (\$280,000,000)).

Section 6.06 Collateral Protection Act. Pursuant to the terms of the Collateral Protection Act (815 ILCS 180/1 et seq.), Mortgagor is hereby notified that:

“UNLESS MORTGAGOR PROVIDES LENDER WITH EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY THIS MORTGAGE OR THE LOAN AGREEMENT, LENDER MAY PURCHASE INSURANCE AT LENDER’S EXPENSE TO PROTECT LENDER’S INTERESTS IN THE MORTGAGED PROPERTY, WHICH INSURANCE MAY, BUT NEED NOT, PROTECT THE INTERESTS OF MORTGAGOR. THE COVERAGE PURCHASED BY LENDER MAY NOT PAY ANY CLAIM MADE BY MORTGAGOR OR ANY CLAIM MADE AGAINST MORTGAGOR IN CONNECTION WITH THE MORTGAGED PROPERTY EXCEPT AS PROVIDED IN THE LOAN AGREEMENT. MORTGAGOR MAY LATER CANCEL ANY INSURANCE PURCHASED BY LENDER, BUT ONLY AFTER PROVIDING LENDER WITH EVIDENCE THAT MORTGAGOR HAS OBTAINED THE INSURANCE AS REQUIRED HEREUNDER. IF LENDER PURCHASES INSURANCE, THE MORTGAGOR WILL BE RESPONSIBLE FOR THE COSTS OF SUCH INSURANCE, INCLUDING INTEREST AND ANY OTHER CHARGES IMPOSED 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 THE TOTAL OBLIGATION SECURED HEREBY. THE COSTS OF SUCH INSURANCE MAY BE GREATER THAN THE COST OF INSURANCE MORTGAGOR MAY BE ABLE TO OBTAIN FOR ITSELF.”

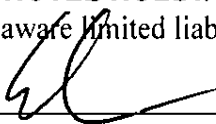
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IN WITNESS WHEREOF, this Mortgage has been duly executed and delivered as of the day and year first above written.

Mortgagor:

HSC HOTEL HOLDINGS LLC,  
a Delaware limited liability company

By:  \_\_\_\_\_

Name: Eric Nordness

Its: Senior Vice President

Property of Cook County Clerk's Office

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## ACKNOWLEDGMENT

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.

STATE OF IL )  
 ) ss:  
county of Cook )

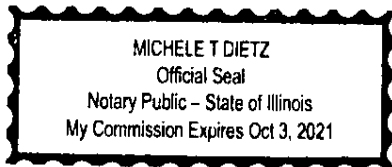
On August 27<sup>th</sup>, 2019 before me, Michele T Dietz,  
Notary Public, personally appeared Eric Nordness, who  
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument  
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: Michele T Dietz

[Seal]



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## EXHIBIT A

### DESCRIPTION OF LAND

THE SUB-LEASEHOLD ESTATE CREATED BY THAT CERTAIN LEASE AGREEMENT, EXECUTED BY: HSC PLAZA AND BUILDING OPERATIONS LLC, AS LESSOR, AND HSC HOTEL HOLDINGS LLC, AS LESSEE, DATED OCTOBER 30, 2015, A MEMORANDUM OF WHICH WAS RECORDED NOVEMBER 3, 2015 AS DOCUMENT 1530719066, WHICH SUB-LEASE DEMISES THE FOLLOWING DESCRIBED LAND FOR A TERM OF YEAR BEGINNING OCTOBER 30, 2015 AND ENDING 75 YEARS LATER.

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CHICAGO, COUNTY OF COOK, STATE OF ILLINOIS AND IS DESCRIBED AS FOLLOWS:

PARCEL 7 - 1ST FLOOR HOTEL PARCELS:

PARCEL H1:

THAT PART OF LOTS 18 TO 23, BOTH INCLUSIVE, IN TALBOT'S SUBDIVISION OF THAT PART OF BLOCK 13, LYING WEST OF GREEN BAY ROAD (NOW CLARK STREET) IN LAFLIN, SMITH AND DYER'S SUBDIVISION OF THE NORTHEAST 1/4 (EXCEPT 1.28 ACRES IN THE NORTHEAST CORNER THEREOF) OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, TAKEN AS A TRACT, LYING BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +40.50 FEET CHICAGO CITY DATUM AND LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +23.50 FEET CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 18; THENCE SOUTH 29 DEGREES 45 MINUTES 55 SECONDS EAST ALONG THE EAST LINE OF LOT 18 TO 23, INCLUSIVE, 137.30 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 29 DEGREES 45 MINUTES 55 SECONDS EAST ALONG THE EAST LINE OF LOTS 23 AND 24 A DISTANCE OF 25.89 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 21.60 FEET; THENCE SOUTH 29 DEGREES 46 MINUTES 24 SECONDS EAST 1.31 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 33.11 FEET; THENCE SOUTH 29 DEGREES 46 MINUTES 24 SECONDS EAST 48.00 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 10.19 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 28.83 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 5.97 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 19.31 FEET; THENCE NORTH 60 DEGREES 13 MINUTES 36 SECONDS EAST 5.81 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 8.75 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 5.81 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 10.75 FEET; THENCE NORTH 60 DEGREES 13 MINUTES 36 SECONDS EAST 25.15 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 8.20 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 5.13 FEET; THENCE NORTH 29 DEGREES 46 MINUTES



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24 SECONDS WEST 0.55 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 8.87 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 7.65 FEET; THENCE NORTH 60 DEGREES 13 MINUTES 36 SECONDS EAST 14.00 FEET; THENCE SOUTH 29 DEGREES 46 MINUTES 24 SECONDS EAST 7.44 FEET; THENCE NORTH 60 DEGREES 13 MINUTES 36 SECONDS EAST 24.12 FEET; THENCE SOUTH 29 DEGREES 46 MINUTES 24 SECONDS EAST 1.39 FEET; THENCE NORTH 60 DEGREES 13 MINUTES 36 SECONDS EAST 21.61 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

## PARCEL H2:

THAT PART OF LOTS 18 TO 28, BOTH INCLUSIVE, IN TALBOT'S SUBDIVISION OF THAT PART OF BLOCK 13, LYING WEST OF GREEN BAY ROAD (NOW CLARK STREET) IN LAFLIN, SMITH AND DYER'S SUBDIVISION OF THE NORTHEAST 1/4 (EXCEPT 1.28 ACRES IN THE NORTHEAST CORNER THEREOF) OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, TAKEN AS A TRACT, LYING BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +40.50 FEET CHICAGO CITY DATUM AND LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +23.50 FEET CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 18; THENCE SOUTH 29 DEGREES 45 MINUTES 55 SECONDS EAST ALONG THE EAST LINE OF LOT 18 TO 26, INCLUSIVE, 210.24 FEET; THENCE SOUTH 60 DEGREES 14 MINUTES 05 SECONDS WEST 72.55 FEET TO THE POINT OF BEGINNING; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 7.92 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 18.16 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 5.12 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 10.28 FEET; THENCE SOUTH 29 DEGREES 46 MINUTES 24 SECONDS EAST 13.04 FEET; THENCE NORTH 60 DEGREES 13 MINUTES 36 SECONDS EAST 28.44 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

## PARCEL 8 - 2ND FLOOR HOTEL PARCEL:

## PARCEL H3:

THAT PART OF LOTS 18 TO 28, BOTH INCLUSIVE, IN TALBOT'S SUBDIVISION OF THAT PART OF BLOCK 13, LYING WEST OF GREEN BAY ROAD (NOW CLARK STREET) IN LAFLIN, SMITH AND DYER'S SUBDIVISION OF THE NORTHEAST 1/4 (EXCEPT 1.28 ACRES IN THE NORTHEAST CORNER THEREOF) OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, TAKEN AS A TRACT, LYING BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +56.50 FEET CHICAGO CITY DATUM AND LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +40.50 FEET CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST

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CORNER OF SAID LOT 18; THENCE SOUTH 29 DEGREES 45 MINUTES 55 SECONDS EAST ALONG THE EAST LINE OF LOT 18 TO 23, INCLUSIVE, 135.63 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 29 DEGREES 45 MINUTES 55 SECONDS EAST 134.87 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 21.24 FEET; THENCE SOUTH 29 DEGREES 46 MINUTES 24 SECONDS EAST 1.99 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 2.03 FEET; THENCE SOUTH 29 DEGREES 46 MINUTES 24 SECONDS EAST 3.01 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 8.76 FEET; THENCE SOUTH 29 DEGREES 46 MINUTES 24 SECONDS EAST 24.16 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 27.15 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 8.09 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 33.55 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 89.26 FEET; THENCE NORTH 60 DEGREES 13 MINUTES 36 SECONDS EAST 20.19 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 11.32 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 20.19 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 46.04 FEET; THENCE NORTH 60 DEGREES 13 MINUTES 36 SECONDS EAST 2.00 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 8.91 FEET; THENCE SOUTH 60 DEGREES 13 MINUTES 36 SECONDS WEST 2.00 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 47.47 FEET; THENCE NORTH 60 DEGREES 13 MINUTES 36 SECONDS EAST 4.92 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 5.49 FEET; THENCE NORTH 60 DEGREES 13 MINUTES 36 SECONDS EAST 9.63 FEET; THENCE SOUTH 29 DEGREES 46 MINUTES 24 SECONDS EAST 52.91 FEET; THENCE NORTH 60 DEGREES 13 MINUTES 36 SECONDS EAST 44.97 FEET; THENCE NORTH 29 DEGREES 46 MINUTES 24 SECONDS WEST 0.36 FEET; THENCE NORTH 60 DEGREES 13 MINUTES 36 SECONDS EAST 33.22 FEET, IN COOK COUNTY, ILLINOIS.

PARCEL 9 - 3RD THRU 6TH FLOOR HOTEL PARCEL:

PARCEL H4:

THAT PART OF THE FOLLOWING 3 PARCELS TAKEN AS A TRACE SAID PART LYING BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +98.50 FEET CHICAGO CITY DATUM AND LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +56.50 FEET CHICAGO CITY DATUM AND WITHIN ITS HORIZONTAL BOUNDARY PROJECT VERTICALLY:

LOTS 18 TO 26, BOTH INCLUSIVE, AND THAT PART OF LOTS 27 AND 28 LYING WEST OF A LINE DRAWN FROM A POINT IN THE SOUTH LINE OF SAID LOT 28, A DISTANCE OF 52.50 FEET WEST OF THE SOUTHEASTERLY CORNER THEREOF, TO A POINT IN THE NORTHEASTERLY LINE OF LOT 27, A DISTANCE OF 6.50 FEET NORTHWESTERLY OF THE SOUTHEASTERLY CORNER OF SAID LOT 27 IN TALBOT'S SUBDIVISION OF THAT PART OF BLOCK 13, LYING WEST OF GREEN BAY ROAD (NOW CLARK STREET) IN LAFLIN, SMITH AND DYER'S SUBDIVISION OF THE NORTHEAST 1/4 (EXCEPT 1.28 ACRES IN THE NORTHEAST CORNER

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THEREOF) OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO

ALL THAT PART OF LOTS 27 AND 28 OF TALBOT'S SUBDIVISION OF THAT PART OF BLOCK 13 LYING WEST OF GREEN BAY ROAD (NOW CALLED CLARK STREET) IN LAFLIN, SMITH AND DYER'S SUBDIVISION OF THE NORTHEAST 1/4 OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS, TO WIT: ALL THOSE PARTS OF SAID LOTS 27 AND 28 WHICH ARE LOCATED EAST OF A LINE DRAWN FROM A POINT IN THE SOUTH LINE OF THE AFORESAID LOT 28 WHICH IS 52.5 FEET WEST OF THE SOUTHEAST CORNER OF SAID LOT, STRAIGHT TO A POINT IN THE NORTHEASTERLY LINE OF THE AFORESAID LOT 27 WHICH IS 6.5 FEET NORTHWESTERLY FROM THE SOUTHEASTERLY CORNER OF SAID LOT, ALL IN COOK COUNTY, ILLINOIS.

ALSO

THAT PART OF NORTH SEMINARY AVENUE DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE EAST LINE OF LOT 28 AND A LINE 2.0 FEET SOUTHWESTERLY OF AND PARALLEL WITH THE NORTHEASTERLY LINE OF SAID LOT 28 IN TALBOT'S SUBDIVISION OF THAT PART OF BLOCK 13 LYING WEST OF GREEN BAY ROAD (NOW CALLED CLARK STREET) IN LAFLIN, SMITH AND DYER'S SUBDIVISION OF THE NORTHEAST 1/4 (EXCEPT 1.28 ACRES IN THE NORTHEAST CORNER THEREOF) OF SECTION 20 TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE SOUTHEASTERLY ALONG THE SOUTHEASTERLY EXTENSION OF SAID LINE 2.0 FEET SOUTHWESTERLY OF AND PARALLEL WITH THE NORTHEASTERLY LINE OF LOT 28, A DISTANCE OF 70.0 FEET; THENCE SOUTHWESTERLY TO A POINT ON THE EASTWARDLY EXTENSION OF THE SOUTH LINE OF LOT 28, A DISTANCE OF 25.0 FEET TO THE SOUTH EAST CORNER OF SAID LOT 28; THENCE WEST ON SAID EASTWARDLY EXTENSION OF THE SOUTH LINE OF LOT 28, A DISTANCE OF 25 FEET TO THE SOUTH EAST CORNER OF SAID LOT 28; THENCE NORTH ALONG THE EAST LINE OF SAID LOT 28 TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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