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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Report Mortgage Fraud
844-768-1713



1931617205

Doc# 1931617205 Fee \$88.00

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

EDWARD M. MOODY

COOK COUNTY RECORDER OF DEEDS

DATE: 11/12/2019 02:48 PM PG: 1 OF 39

The property identified as: **PIN:** 09-32-201-026-0000

Address:

Street: 7101 Chestnut Street

Street line 2:

City: Rosemont

State: IL

ZIP Code: 60018

Lender: Morgan Stanley Bank, N.A., JPMorgan Chase Bank, National Association and Bank of America, N.A.

Borrower: Grand Prix Chicago LLC and Grand Prix Fixed Lessee LLC

Loan / Mortgage Amount: \$755,000,000.00

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

FIDELITY NATIONAL TITLE FCHI1900705LI
2 of 2

S
P 39
S
M
SC
E
INT

Certificate number: 7527FA0D-A398-4591-A16D-A4BC07BFE004

Execution date: 11/7/2019

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GRAND PRIX CHICAGO LLC, as mortgagor
(Individual Borrower)

and

GRAND PRIX FIXED LESSEE LLC, as mortgagor
(Operating Company)

to

**MORGAN STANLEY BANK, N.A., JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION AND BANK OF AMERICA, N.A.,**
collectively, as mortgagee
(Lender)

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

(ILLINOIS)

Dated: As of November 7, 2019
Location: 7101 Chestnut Street
Rosemont, Illinois 60018
County: Cook
PIN(s): 09-32-201-026-0000

**PREPARED BY AND UPON
RECORDATION RETURN TO:**

Dechert LLP
Three Bryant Park
1095 Avenue of the Americas
New York, NY 10036
Attention: Krystyna Blakeslee, Esq.

Property Name: Residence Inn
Rosemont/O'Hare
Property Address: 7101 Chestnut Street
Rosemont, Illinois 60018

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

THIS FEE AND LEASEHOLD MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made as of November 7, 2019, by GRAND PRIX CHICAGO LLC, a Delaware limited liability company, having its principal place of business at c/o Chatham Lodging Trust, 222 Lakeview Avenue, Suite 200, West Palm Beach, Florida 33401, as mortgagor ("**Individual Borrower**") and GRAND PRIX FIXED LESSEE LLC, a Delaware limited liability company, having its principal place of business at c/o Chatham Lodging Trust, 222 Lakeview Avenue, Suite 200, West Palm Beach, Florida 33401, as mortgagor ("**Operating Company**", together with Individual Borrower, individually and/or collectively as the context may require, "**Mortgagor**") for the benefit of MORGAN STANLEY BANK, N.A., a national banking association, having an address at 1585 Broadway, 25th Floor, New York, New York 10036 ("**MS**"), JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, a banking association chartered under the laws of the United States of America, having an address at 383 Madison Avenue, New York, New York 10179 ("**JPM**") and BANK OF AMERICA, N.A., a national banking association, having an address at 214 North Tryon Street, NC1-027-15-01, Charlotte, North Carolina 28255 ("**BAML**", and together with MS, JPM and their respective successors and assigns, as mortgagee, collectively, "**Lender**").

WITNESSETH:

WHEREAS, this Mortgage is given to secure a loan (the "**Loan**") in the principal sum of \$755,000,000.00 advanced pursuant to that certain Loan Agreement, dated as of the date hereof, among Individual Borrower, the entities set forth in Schedule I, each a Delaware limited liability company (collectively, the "**Other Borrowers**" and together with Individual Borrower, collectively, the "**Borrower**"), Grand Prix Rockville LLC and Lender (as the same may hereafter be amended, restated, replaced, supplemented, renewed, extended or otherwise modified from time to time, the "**Loan Agreement**"), and evidenced by that certain Note (as further defined in the Loan Agreement) in the amount of Seven Hundred Fifty-Five Million and 00/100 Dollars (\$755,000,000.00);

WHEREAS, Borrower desires to secure the payment of the Debt (as defined in the Loan Agreement) and the performance of all of its obligations under the Note, the Loan Agreement and the other Loan Documents (as herein defined);

WHEREAS, this Mortgage is given pursuant to the Loan Agreement, and payment, fulfillment, and performance by Borrower of its obligations thereunder and under the other Loan Documents are secured hereby, and each and every term and provision of the Loan Agreement and the Note, including the rights, remedies, obligations, covenants, conditions, agreements, indemnities, representations and warranties of the parties therein, are hereby incorporated by reference herein as though set forth in full and shall be considered a part of this Mortgage (the Loan Agreement, the Note, this Mortgage, and all other documents evidencing or securing the Debt (including all additional mortgages, deeds to secure debt and assignments of leases and rents) or executed or delivered in connection therewith, are hereinafter referred to collectively as the "**Loan Documents**");

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WHEREAS, pursuant to that certain Lease Agreement described on Exhibit B attached hereto (as the same may be amended, restated, supplemented, renewed, extended or otherwise modified from time to time, the "**Operating Lease**") Operating Company has agreed to lease and operate the Property (as hereinafter defined); and

WHEREAS, Operating Company will directly or indirectly benefit from Lender making the Loan to Borrower, and has given this Mortgage and executed various other Loan Documents in order to induce Lender to make the Loan to Borrower.

NOW THEREFORE, in consideration of the making of the Loan by Lender and the covenants, agreements, representations and warranties set forth in this Mortgage:

ARTICLE I. - GRANTS OF SECURITY

Section 1.1. Property Mortgaged. Mortgagor does hereby irrevocably mortgage, grant, bargain, sell, pledge, assign, warrant, transfer and convey to Lender and its successors and assigns all of Mortgagor's right, title and interest in and to the following property, rights, interests and estates whether now owned, or hereafter acquired by Mortgagor (collectively, the "**Property**"):

(a) **Fee Land.** The real property described in Exhibit A attached hereto and made a part hereof (the "**Fee Land**");

(b) **OL Collateral.** (i) All of Operating Company's estate, right, title and interest in, and under the Operating Lease and the leasehold estate created thereby in the Fee Land, including all of Operating Company's interest in all buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs and replacements now or thereafter erected on the Fee Land (collectively, the "**OL Collateral**") and together with all appurtenances thereto including, but not limited to (A) extension, renewal, modification and option rights and all of the estate and right of Operating Company of, in, and to the OL Collateral under and by virtue of the Operating Lease, (B) all credits and deposits of Operating Company under the Operating Lease, and (C) the right or privilege of Operating Company to terminate, cancel, surrender or merge the Operating Lease, and (ii) any other right Operating Company may now or hereafter acquire in and to the Property (as otherwise described in this Section 1.1);

(c) **Additional Land.** All additional lands, estates and development rights hereafter acquired by Mortgagor for use in connection with the Fee Land and the OL Collateral (the Fee Land and the OL Collateral being hereinafter collectively referred to as the "**Land**") and the development of the Land and all additional lands and estates therein which may, from time to time, by supplemental mortgage or otherwise be expressly made subject to the lien of this Mortgage;

(d) **Improvements.** The buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter erected or located on the Land (collectively, the "**Improvements**");

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(e) Easements. All easements, rights-of-way or use, rights, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, and all estates, rights, titles, interests, privileges, liberties, servitudes, tenements, hereditaments and appurtenances of any nature whatsoever, in any way now or hereafter belonging, relating or pertaining to the Land and the Improvements and the reversion and reversions and remainders, and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Land, to the center line thereof and all the estates, rights, titles, interests, dower and rights of dower, curtesy and rights of curtesy, property, possession, claim and demand whatsoever, both at law and in equity, of Mortgagor of, in and to the Land and the Improvements and every part and parcel thereof, with the appurtenances thereto;

(f) Equipment. All "goods" and "equipment," as such terms are defined in Article 9 of the Uniform Commercial Code (as hereinafter defined), now owned or hereafter acquired by Mortgagor, which is used at or in connection with the Improvements or the Land or is located thereon or therein (including, but not limited to, all machinery, equipment, furnishings, and electronic data-processing and other office equipment now owned or hereafter acquired by Mortgagor and any and all additions, substitutions and replacements of any of the foregoing), together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto (collectively, the "Equipment"). Notwithstanding the foregoing, Equipment shall not include any property belonging to any franchisor, manager, or tenants under leases except to the extent that Mortgagor shall have any right or interest therein;

(g) Fixtures. All Equipment now owned, or the ownership of which is hereafter acquired, by Mortgagor which is so related to the Land and Improvements forming part of the Property that it is deemed fixtures or real property under the law of the particular state in which the Equipment is located, including, without limitation, all building or construction materials intended for construction, reconstruction, alteration or repair of or installation on the Property, construction equipment, appliances, machinery, plant equipment, fittings, apparatuses, fixtures and other items now or hereafter attached to, installed in or used in connection with (temporarily or permanently) any of the Improvements or the Land, including, but not limited to, engines, devices for the operation of pumps, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatuses and equipment, heating, ventilating, laundry, incinerating, electrical, air conditioning and air cooling equipment and systems, gas and electric machinery, appurtenances and equipment, pollution control equipment, security systems, disposals, dishwashers, refrigerators and ranges, recreational equipment and facilities of all kinds, and water, gas, electrical, storm and sanitary sewer facilities, utility lines and equipment (whether owned individually or jointly with others, and, if owned jointly, to the extent of Mortgagor's interest therein) and all other utilities whether or not situated in easements, all water tanks, water supply, water power sites, fuel stations, fuel tanks, fuel supply, and all other structures, together with all accessions, appurtenances, additions, replacements, betterments and substitutions for any of the foregoing and the proceeds thereof (collectively, the "Fixtures"). Notwithstanding the foregoing, "Fixtures" shall not include any property which tenants are entitled to remove pursuant to leases (other than the Operating Lease) except to the extent that Mortgagor shall have any right or interest therein;

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(h) Personal Property. All furniture, furnishings, objects of art, machinery, goods, tools, supplies, appliances, inventory and articles of personal property and accessions thereof and renewals and replacements thereof and substitutions therefor, if any (including, but not limited to, beds, bureaus, chiffoniers, 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, foodcarts, cookware, dry cleaning facilities, dining room wagons, keys or other entry systems, bars, bar fixtures, liquor and other drink dispensers, icemakers, 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, elevators, escalators, fittings, plants, tools, machinery, engines, dynamos, motors, boilers, incinerators, switchboards, conduits, compressors, vacuum cleaning systems, floor cleaning, waxing and polishing equipment, call systems, brackets, electrical signs, bulbs, bells, conveyors, cabinets, lockers, shelving, spotlighting equipment, washers and dryers), other customary hotel equipment, general intangibles, contract rights, accounts, accounts receivable, franchises (to the extent permitted under (and subject to) the applicable franchise agreements and any comfort letters delivered in connection therewith), licenses (including liquor licenses to the extent permitted by applicable law), certificates and permits, and all other personal property of any kind or character whatsoever as defined in and subject to the provisions of the Uniform Commercial Code, other than Fixtures, which are now or hereafter owned by Mortgagor and which are located within or about the Land and the Improvements, together with all accessories, replacements and substitutions thereto or therefor and the proceeds thereof (collectively, the "**Personal Property**"), and the right, title and interest of Mortgagor in and to any of the Personal Property which may be subject to any security interests, as defined in the Uniform Commercial Code, as adopted and enacted by the state or states where any of the Property is located (the "**Uniform Commercial Code**"), superior in lien to the lien of this Mortgage and all proceeds and products of the above:

(i) Leases and Rents. All leases, subleases or subsubleases, lettings, licenses, concessions or other agreements (whether written or oral), including, without limitation, the Operating Lease, pursuant to which any Person is granted by Mortgagor a possessory interest in, or right to use or occupy all or any portion of the Land and the Improvements, and every modification, amendment or other agreement relating to such leases, subleases, subsubleases, or other agreements entered into in connection with such leases, subleases, subsubleases, or other agreements and every guarantee of the performance and observance of the covenants, conditions and agreements to be performed and observed by the other party thereto, heretofore or hereafter entered into (collectively, the "**Leases**"), whether before or after the filing by or against Mortgagor of any petition for relief under the Bankruptcy Code and all right, title and interest of Mortgagor, its successors and assigns therein and thereunder, including, without limitation, cash or securities deposited thereunder to secure the performance by the lessors of their obligations thereunder and all rents, additional rents, revenues, issues and profits (including all oil and gas or other mineral royalties and bonuses) from the Land and the Improvements (including, without limitation, all revenues and credit card receipts collected from guest rooms, restaurants, bars, meeting rooms, banquet rooms and recreational facilities), all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of the

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sale, lease, sublease, license, concession or other grant of the right of the use and occupancy of property or rendering of services by Mortgagor or any operator or manager of the hotel or the commercial space located in the Improvements or acquired from others (including, without limitation, from the rental of any office space, retail space, guest rooms or other space, halls, stores, and offices, and deposits securing reservations of such space) whether paid or accruing before or after the filing by or against Mortgagor of any petition for relief under the Bankruptcy Code (collectively, the "**Rents**") and all proceeds from the sale or other disposition of the Leases and the right to receive and apply the Rents to the payment of the Debt;

(j) Condemnation Awards. All awards or payments, including interest thereon, which may heretofore and hereafter be made with respect to the Property, whether from the exercise of the right of eminent domain (including, but not limited to, any transfer made in lieu of or in anticipation of the exercise of the right), or for a change of grade, or for any other injury to or decrease in the value of the Property in accordance with Article VI of the Loan Agreement and this Mortgage;

(k) Insurance Proceeds. All proceeds in respect of the Property under any insurance policies covering the Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Property in accordance with Article VI of the Loan Agreement and this Mortgage;

(l) Tax Certiorari. All refunds, rebates or credits in connection with reduction in real estate taxes and assessments charged against the Property as a result of tax certiorari or any applications or proceedings for reduction;

(m) Conversion. All proceeds of the conversion, voluntary or involuntary, of any of the foregoing including, without limitation, proceeds of insurance and condemnation awards, into cash or liquidation claims;

(n) Rights. The right, in the name and on behalf of Mortgagor, to appear in and defend any action or proceeding brought with respect to the Property and to commence any action or proceeding to protect the interest of Lender in the Property;

(o) Agreements. All agreements, contracts, certificates, instruments, franchises (to the extent permitted under (and subject to) the applicable franchise agreements and any comfort letters delivered in connection therewith), permits, licenses (including, without limitation, hospitality licenses and liquor licenses, to the extent permitted by law, if any), plans, specifications and other documents, now or hereafter entered into, and all rights therein and thereto, respecting or pertaining to the use, occupation, construction, management or operation of the Land and any part thereof and any Improvements or respecting or pertaining to any business or activity conducted on the Land and any part thereof and all right, title and interest of Mortgagor therein and thereunder, to the extent any such instruments or rights may be so mortgaged pursuant to the terms thereof, including, without limitation, the right, upon the happening of any default hereunder, to receive and collect any sums payable to Mortgagor thereunder;

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(p) Trademarks. All tradenames, trademarks, servicemarks, logos, copyrights, goodwill, books and records and all other general intangibles relating to or used in connection with the operation of the Property;

(q) Accounts. All reserves, escrows and deposit accounts maintained by Mortgagor, either individually or otherwise, with respect to the Property, including, without limitation, all accounts established or maintained pursuant to the Lockbox Agreement and the Cash Management Agreement, together with all deposits or wire transfers made to such accounts, all cash, checks, drafts, certificates, securities, investment property, financial assets, instruments and other property held therein from time to time and all proceeds, products, distributions or dividends or substitutions thereon and thereof in accordance with the terms of the Lockbox Agreement, Cash Management Agreement, and Loan Agreement, as applicable;

(r) Letter of Credit. All letter-of-credit rights (whether or not the letter of credit is evidenced by a writing) Mortgagor now has or hereafter acquires relating to the properties, rights, titles and interests referred to in this Section 1.1;

(s) Tort Claims. All commercial tort claims Mortgagor now has or hereafter acquires relating to the properties, rights, titles and interests referred to in this Section 1.1;

(t) Interest Rate Cap Agreement. The Interest Rate Cap Agreement, including, but not limited to, all "accounts", "chattel paper", "general intangibles" and "investment property" (as such terms are defined in the Uniform Commercial Code as from time to time in effect) constituting or relating to the foregoing; and all products and proceeds of any of the foregoing in accordance with the terms of the Interest Rate Cap Agreement; and

(u) Other Rights. Any and all other rights of Mortgagor in and to the items set forth in Subsections (a) through (t) above.

AND without limiting any of the other provisions of this Mortgage, to the extent permitted by applicable law, Mortgagor expressly grants to Lender, as secured party, a security interest in the portion of the Property which is or may be subject to the provisions of the Uniform Commercial Code which are applicable to secured transactions; it being understood and agreed that the Improvements and Fixtures are part and parcel of the Land (the Land, the Improvements and the Fixtures collectively referred to as the "**Real Property**") appropriated to the use hereof and, whether affixed or annexed to the Real Property or not, shall for the purposes of this Mortgage be deemed conclusively to be real estate and mortgaged hereby.

Section 1.2. Assignment of Rents. Mortgagor hereby absolutely and unconditionally assigns to Lender all of Mortgagor's right, title and interest in and to all current and future Leases and Rents; it being intended by Mortgagor that this assignment constitutes a present, absolute assignment and not an assignment for additional security only. Nevertheless, subject to the terms of the Cash Management Agreement and Section 7.1(h) of this Mortgage, Lender grants to Mortgagor a revocable license to collect, receive, use and enjoy the Rents and Mortgagor shall hold the Rents, or a portion thereof sufficient to discharge all current sums due on the Debt, for use in the payment of such sums.

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Section 1.3. Security Agreement. This Mortgage is both a real property mortgage and a "security agreement" within the meaning of the Uniform Commercial Code. The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Mortgagor in the Property. By executing and delivering this Mortgage, Mortgagor hereby grants to Lender, as security for the Obligations (hereinafter defined), a security interest in the Fixtures, the Equipment and the Personal Property and other property constituting the Property, whether now owned or hereafter acquired, to the full extent that the Fixtures, the Equipment, the Personal Property and such other property may be subject to the Uniform Commercial Code (said portion of the Property so subject to the Uniform Commercial Code being called the "**Collateral**"). If an Event of Default shall occur and be continuing, Lender, in addition to any other rights and remedies which it may have, shall have and may exercise immediately and without demand, any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing, the right to take possession of the Collateral or any part thereof, and to take such other measures as Lender may deem necessary for the care, protection and preservation of the Collateral. Upon request or demand of Lender after the occurrence and during the continuance of an Event of Default, Mortgagor shall, at its expense, assemble the Collateral and make it available to Lender at a convenient place (at the Land if tangible property) reasonably acceptable to Lender. Mortgagor shall pay to Lender, within ten (10) Business Days of any written request, any and all reasonable out-of-pocket expenses, including reasonable legal expenses and attorneys' fees, actually incurred or paid by Lender in protecting its interest in the Collateral and in enforcing its rights hereunder with respect to the Collateral after the occurrence and during the continuance of an Event of Default. Any notice of sale, disposition or other intended action by Lender with respect to the Collateral sent to Mortgagor in accordance with the provisions hereof at least ten (10) Business Days prior to such action, shall, except as otherwise provided by applicable law, constitute reasonable notice to Mortgagor. The proceeds of any disposition of the Collateral, or any part thereof, may, except as otherwise required by applicable law, be applied by Lender to the payment of the Debt in such priority and proportions as Lender in its discretion shall deem proper. Mortgagor's (debtor's) principal place of business is as set forth on page one hereof and the address of Lender (secured party) is as set forth on page one hereof.

Section 1.4. Fixture Filing. Certain of the Property is or will become "fixtures" (as that term is defined in the Uniform Commercial Code) on the Land, and this Mortgage, upon being filed for record in the real estate records of the city or county wherein such fixtures are situated, shall operate also as a financing statement filed as a fixture filing in accordance with the applicable provisions of said Uniform Commercial Code upon such of the Property that is or may become fixtures.

Section 1.5. Pledges of Monies Held. Mortgagor hereby pledges to Lender all of its right, title and interest in and to any and all monies now or hereafter held by Lender or on behalf of Lender, including, without limitation, any sums deposited in the Lockbox Account, the Cash Management Account, the Reserve Funds and Net Proceeds, as additional security for the Obligations until expended or applied as provided in the Loan Documents.

CONDITIONS TO GRANT

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TO HAVE AND TO HOLD the above granted and described Property unto and to the use and benefit of Lender and its successors and assigns, forever;

PROVIDED, HOWEVER, these presents are upon the express condition that, if Borrower shall well and truly pay to Lender the Debt at the time and in the manner provided in the Note, the Loan Agreement and this Mortgage, shall well and truly perform the Other Obligations as set forth in this Mortgage and shall well and truly abide by and comply with each and every covenant and condition set forth herein and in the Note, the Loan Agreement and the other Loan Documents, these presents and the estate hereby granted shall cease, terminate and be void; provided, however, that, subject to the terms of Section 9.3 of the Loan Agreement, Borrower's obligation to indemnify and hold harmless Lender pursuant to the provisions hereof shall survive any such payment or release.

ARTICLE II. - DEBT AND OBLIGATIONS SECURED

Section 2.1. Debt. This Mortgage and the grants, assignments and transfers made in Article I are given for the purpose of securing the Debt.

Section 2.2. Other Obligations. This Mortgage and the grants, assignments and transfers made in Article I are also given for the purpose of securing the following (the "**Other Obligations**"):

- (a) the performance of all other obligations of Mortgagor contained herein;
- (b) the performance of each obligation of Borrower contained in the Loan Agreement and any other Loan Document; and
- (c) the performance of each obligation of Borrower contained in any renewal, extension, amendment, modification, consolidation, change of, or substitution or replacement for, all or any part of the Note, the Loan Agreement or any other Loan Document.

Section 2.3. Debt and Other Obligations. Borrower's obligations for the payment of the Debt and Mortgagor's performance of the Other Obligations shall be referred to collectively herein as the "**Obligations.**"

ARTICLE III. - - MORTGAGOR COVENANTS

Mortgagor covenants and agrees that:

Section 3.1. Payment of Debt. Borrower will pay, or cause to be paid, the Debt at the time and in the manner provided in the Loan Agreement, the Note and this Mortgage.

Section 3.2. Incorporation by Reference. All the covenants, conditions and agreements contained in (a) the Loan Agreement, (b) the Note and (c) all and any of the other Loan Documents, are hereby made a part of this Mortgage to the same extent and with the same force as if fully set forth herein.

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Section 3.3. Insurance. Mortgagor shall obtain and maintain, or cause to be maintained, in full force and effect at all times insurance with respect to Mortgagor and the Property as required pursuant to the Loan Agreement.

Section 3.4. Maintenance of Property. Mortgagor shall cause the Property to be maintained in a good and safe condition and repair in accordance with the terms of the Loan Agreement. The Improvements, the Fixtures, the Equipment and the Personal Property shall not be removed, demolished or materially altered (except for normal replacement of the Fixtures, the Equipment or the Personal Property, tenant finish and refurbishment of the Improvements) without the consent of Lender, except to the extent permitted under and in accordance with the Loan Agreement. Subject to the terms of the Loan Agreement, Mortgagor shall promptly repair, replace or rebuild any part of the Property which may be destroyed by any Casualty or become damaged, worn or dilapidated or which may be affected by any Condemnation, and shall complete and pay for any structure at any time in the process of construction or repair on the Land.

Section 3.5. Waste. Mortgagor shall not commit or suffer any physical waste of the Property or make any change in the use of the Property which will in any way materially increase the risk of fire or other hazard arising out of the operation of the Property, or take any action that might invalidate or allow the cancellation of any Policy, or do or permit to be done thereon anything that may in any way materially impair the value of the Property or the security of this Mortgage. Mortgagor will not, without the prior written consent of Lender, permit any drilling or exploration for or extraction, removal or production of any minerals from the surface or the subsurface of the Land, regardless of the depth thereof or the method of mining or extraction thereof.

Section 3.6. Payment for Labor and Materials. (a) Subject to the terms of the Loan Agreement and Section 3.6(c) below, Mortgagor will promptly pay, or cause to be paid, when due all bills and costs for labor, materials, and specifically fabricated materials ("**Labor and Material Costs**") incurred in connection with the Property and never permit to exist beyond the due date thereof in respect of the Property or any part thereof any lien or security interest, even though inferior to the liens and the security interests hereof, and in any event never permit to be created or exist in respect of the Property or any part thereof any other or additional lien or security interest other than the liens or security interests hereof and the Permitted Encumbrances.

(b) After prior written notice to Lender, Mortgagor, at its own expense, may contest by appropriate legal proceeding, promptly initiated and conducted in good faith and with due diligence, the amount or validity or application in whole or in part of any of the Labor and Material Costs, provided that (i) no Event of Default has occurred and is continuing under the Loan Agreement, the Note, this Mortgage or any of the other Loan Documents, (ii) Mortgagor is permitted to do so under the provisions of any other mortgage, deed of trust or deed to secure debt affecting the Property, (iii) such proceeding shall suspend the collection of the Labor and Material Costs from Mortgagor and from the Property or Mortgagor shall have paid all of the Labor and Material Costs under protest, (iv) such proceeding shall be permitted under and be conducted in accordance with the provisions of any other instrument to which Mortgagor is subject and shall not constitute a default thereunder, (v) neither the Property nor any part thereof or interest therein

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will be in danger of being sold, forfeited, terminated, canceled or lost, and (vi) Mortgagor shall have furnished the security as may be required in the proceeding, or as may be reasonably requested by Lender to insure the payment of any contested Labor and Material Costs, together with all interest and penalties thereon.

(c) Notwithstanding the foregoing, it shall not be a default under the terms and conditions of this Section 3.6 if, in respect of a mechanic's or materialman's lien asserted against the Property for Labor and Material Costs (each, a "**Mechanic's Lien**"): (i) Mortgagor shall have provided Lender with written notice of such Mechanic's Lien within thirty (30) days of obtaining Actual Knowledge thereof; (ii) within sixty (60) days of obtaining Actual Knowledge of the filing of any Mechanic's Lien, Mortgagor shall have furnished to Lender either (A) a cash deposit equal to the amount of the Labor and Material Costs which are the subject of such Mechanic's Lien, or (B) an indemnity bond reasonably satisfactory to Lender with a surety satisfactory to Lender, in the amount of the Labor and Material Costs which are the subject of such Mechanic's Lien, plus in each instance a reasonable additional sum to pay all costs, interest and penalties that may be imposed or incurred in connection therewith; (iii) no Event of Default shall have occurred and be continuing under the Loan Agreement, the Note, this Mortgage or any of the other Loan Documents; (iv) Mortgagor shall at all times diligently prosecute the discharge of such Mechanic's Lien, and shall update Lender regarding the status of same from time to time upon Lender's request; (v) neither the Property nor any part thereof nor any interest therein shall be in imminent danger of being sold, forfeited, terminated, canceled or lost, in each instance, as a result of such contest; (vi) such contest shall preclude the collection of, or other realization upon, any contested amount from the Property or any revenues from or interest in the Property; (vii) such contest shall not subject Lender or Mortgagor to civil or criminal liability (other than the civil liability of Mortgagor for the amount of the Mechanic's Lien in question plus interest); and (viii) Mortgagor has not consented to such Mechanic's Lien.

Section 3.7. Performance of Other Agreements Mortgagor shall observe and perform, or cause the observance and performance of, each and every term, covenant and provision to be observed or performed by Mortgagor pursuant to the Loan Agreement, any other Loan Document and any other agreement or recorded instrument affecting or pertaining to the Property and any amendments, modifications or changes thereto.

Section 3.8. Change of Name, Identity or Structure No Mortgagor shall change its name, identity (including its trade name or names) or, if not an individual, Mortgagor's corporate, partnership or other structure without notifying Lender of such change in writing at least thirty (30) days prior to the effective date of such change and, in the case of a change in Mortgagor's structure, without first obtaining the prior written consent of Lender; provided, however, that nothing contained in this Section 3.8 shall be deemed to require notice to or consent by Lender with respect to any Transfer, sale or pledge that would be permitted without notice to Lender or Lender's consent under Section 5.2.10 of the Loan Agreement. Mortgagor shall execute and deliver to Lender, prior to or contemporaneously with the effective date of any such change, any financing statement or financing statement change required by Lender to establish or maintain the validity, perfection and priority of the security interest granted herein. At the request of Lender, each Mortgagor shall execute a certificate in form reasonably satisfactory to Lender listing the

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trade names under which such Mortgagor intends to operate the Property, and representing and warranting that such Mortgagor does business under no other trade name with respect to the Property.

Section 3.9. Title. Individual Borrower has good, marketable and insurable fee simple title to the real property comprising part of the Property and each Mortgagor, as applicable, has good title to the balance of such Property, free and clear all Liens whatsoever except the Permitted Encumbrances, such other Liens as are permitted pursuant to the Loan Documents and the Liens created by the Loan Documents. The Permitted Encumbrances in the aggregate do not have a Material Adverse Effect. Mortgagor warrants that this Mortgage is a valid and enforceable lien on and security interest in the Property, subject only to Permitted Encumbrances and the Liens created by the Loan Documents, and subject to applicable creditor's rights laws and rules of equity, whether or not equitable relief has been sought. To Mortgagor's Actual Knowledge, after due inquiry, there are no claims for payment for work, labor or materials affecting the Property which are past due and are or may become a lien prior to, or of equal priority with, the Liens created by the Loan Documents unless such claims for payments are being contested in accordance with the terms and conditions of the Loan Documents.

Section 3.10. Letter of Credit Rights. If Mortgagor is at any time a beneficiary under a letter of credit relating to the properties, rights, titles and interests referenced in Section 1.1 of this Mortgage now or hereafter issued in favor of Mortgagor, Mortgagor shall promptly notify Lender thereof and, at the request and option of Lender, Mortgagor shall, pursuant to an agreement in form and substance satisfactory to Lender, either (a) arrange for the issuer and any confirmer of such letter of credit to consent to an assignment to Lender of the proceeds of any drawing under the letter of credit or (b) arrange for Lender to become the transferee beneficiary of the letter of credit, and Lender agrees, in each case that the proceeds of any drawing under the letter of credit are to be applied as provided in Section 7.2 of this Mortgage.

ARTICLE IV. - OBLIGATIONS AND RELIANCES

Section 4.1. Relationship of Mortgagor and Lender. The relationship between Individual Borrower and Lender is solely that of debtor and creditor, and Lender has no fiduciary or other special relationship with Individual Borrower, and no term or condition of any of the Loan Agreement, the Note, this Mortgage and the other Loan Documents shall be construed so as to deem the relationship between Individual Borrower and Lender to be other than that of debtor and creditor. Lender has no fiduciary or other special relationship with Operating Company, and no term or condition of any of the Loan Agreement, the Note, this Mortgage and the other Loan Documents shall be construed so as to deem the relationship between Operating Company and Lender to be other than that of mortgagor and mortgagee.

Section 4.2. No Reliance on Lender. The general partners, members, principals and (if any Mortgagor is a trust) beneficial owners of Mortgagor are experienced in the ownership and operation of properties similar to the Property, and Mortgagor and Lender are relying solely upon such expertise and business plan in connection with the ownership and operation of the

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Property. Mortgagor is not relying on Lender's expertise, business acumen or advice in connection with the Property.

Section 4.3. No Lender Obligations. (a) Notwithstanding the provisions of Subsections 1.1(i) and (o) or Section 1.2, Lender is not undertaking the performance of (i) any obligations under the Leases; or (ii) any obligations with respect to such agreements, contracts, certificates, instruments, franchises, permits, trademarks, licenses and other documents.

(b) By accepting or approving anything required to be observed, performed or fulfilled or to be given to Lender pursuant to this Mortgage, the Loan Agreement, the Note or the other Loan Documents, including, without limitation, any officer's certificate, balance sheet, statement of profit and loss or other financial statement, survey, appraisal, or insurance policy, Lender shall not be deemed to have warranted, consented to, or affirmed the sufficiency, the legality or effectiveness of same, and such acceptance or approval thereof shall not constitute any warranty or affirmation with respect thereto by Lender.

Section 4.4. Reliance. Mortgagor recognizes and acknowledges that in accepting the Loan Agreement, the Note, this Mortgage and the other Loan Documents, Lender is expressly and primarily relying on the truth and accuracy of the warranties and representations set forth in Section 4.1 of the Loan Agreement without any obligation to investigate the Property and notwithstanding any investigation of the Property by Lender; that such reliance exists on the part of Lender on the date hereof; that the warranties and representations are a material inducement to Lender in making the Loan; and that Lender would not be willing to make the Loan and accept this Mortgage in the absence of the warranties and representations as set forth in Section 4.1 of the Loan Agreement.

ARTICLE V. - FURTHER ASSURANCES

Section 5.1. Recording of Mortgage, Etc. Mortgagor forthwith upon the execution and delivery of this Mortgage and thereafter, from time to time, will cause this Mortgage and any of the other Loan Documents creating a lien or security interest or evidencing the lien hereof upon the Property and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect and perfect the lien or security interest hereof upon, and the interest of Lender in, the Property. Mortgagor will pay, or cause to be paid, all taxes, filing, registration or recording fees, and all reasonable costs and expenses incident to the preparation, execution, acknowledgment and/or recording of the Note, this Mortgage, the other Loan Documents, any note, deed of trust or mortgage supplemental hereto, any security instrument with respect to the Property and any instrument of further assurance, and any modification or amendment of the foregoing documents, and all federal, state, county and municipal taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Mortgage, any deed of trust or mortgage supplemental hereto, any security instrument with respect to the Property or any instrument of further assurance, and any modification or amendment of the foregoing documents, except where prohibited by law so to do.

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Section 5.2. Further Acts, Etc. Mortgagor will, at the cost of Mortgagor, and without expense to Lender, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, deeds of trust, mortgages, assignments, notices of assignments, transfers and assurances as Lender shall, from time to time, reasonably require, for the better assuring, conveying, assigning, transferring, and confirming unto Lender the property and rights hereby mortgaged, deeded, granted, bargained, sold, conveyed, confirmed, pledged, assigned, warranted and transferred or intended now or hereafter so to be, or which Mortgagor may be or may hereafter become bound to convey or assign to Lender, or for carrying out the intention or facilitating the performance of the terms of this Mortgage or for filing, registering or recording this Mortgage, or for complying with all Legal Requirements. Mortgagor, within three (3) Business Days following Lender's written request therefor, shall deliver to Lender, and in the event Mortgagor fails to deliver such financing statements within three (3) Business Days of request, Mortgagor authorizes Lender to file, one or more financing statements to evidence more effectively the security interest of Lender in the Property. Such financing statements may describe the collateral covered thereby as "all assets of the debtor, whether now owned or hereafter acquired" or words to that effect. Upon the occurrence and during the continuance of the Event of Default, Mortgagor grants to Lender an irrevocable power of attorney coupled with an interest for the purpose of exercising and perfecting any and all rights and remedies available to Lender at law and in equity, including, without limitation, such rights and remedies available to Lender pursuant to this Section 5.2.

Section 5.3. Changes in Tax, Debt, Credit and Documentary Stamp Laws.

(a) If any law is enacted or adopted or amended after the date of this Mortgage which deducts the Debt from the value of the Property for the purpose of taxation or which imposes a tax, either directly or indirectly, on the Debt or Lender's interest in the Property, Mortgagor will pay, or cause to be paid, the tax, with interest and penalties thereon, if any. If Lender is advised by counsel chosen by it that the payment of tax by Mortgagor would be unlawful or taxable to Lender or unenforceable or provide the basis for a defense of usury then Lender shall have the option by written notice of not less than one hundred eighty (180) days to declare the Debt immediately due and payable without the requirement of the payment of any Spread Maintenance Payment.

(b) Mortgagor will not claim or demand or be entitled to any credit or credits on account of the Debt for any part of the Taxes or Other Charges assessed against the Property, or any part thereof, and no deduction shall otherwise be made or claimed from the assessed value of the Property, or any part thereof, for real estate tax purposes by reason of this Mortgage or the Debt. If such claim, credit or deduction shall be required by law, Lender shall have the option, by written notice of not less than one hundred eighty (180) days, to declare the Debt immediately due and payable without the requirement of the payment of any Spread Maintenance Payment; provided, however, Mortgagor may elect, in lieu of any such required repayment, to pay an amount to Lender sufficient to offset any such claim, credit or deduction, and so long as Mortgagor does so within such one hundred eighty (180) day period, the Debt shall not become due and payable as a result of such claim, credit or deduction.

(c) If at any time the United States of America, any State thereof or any subdivision of any such State shall require revenue or other stamps to be affixed to the Note, this

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Mortgage, or any of the other Loan Documents or impose any other tax or charge on the same, Mortgagor will pay for the same, with interest and penalties thereon, if any.

Section 5.4. Severing of Mortgage. The provisions of Section 8.2(c) of the Loan Agreement are hereby incorporated by reference herein.

Section 5.5. Replacement Documents. Upon receipt of an affidavit of an officer of Lender as to the loss, theft, destruction or mutilation of the Note or any other Loan Document which is not of public record, and, in the case of any such mutilation, upon surrender and cancellation of such Note or other Loan Document, Mortgagor will issue, or cause to be issued, in lieu thereof, a replacement Note or other Loan Document, dated the date of such lost, stolen, destroyed or mutilated Note or other Loan Document in the same principal amount thereof and otherwise in the same form as such lost, stolen, destroyed or mutilated Note or other Loan Documents.

ARTICLE VI. - DUE ON SALE/ENCUMBRANCE

Section 6.1. Lender Reliance. Mortgagor acknowledges that Lender has examined and relied on the experience of Mortgagor and their respective members in owning and operating properties such as the Property in agreeing to make the Loan, and will continue to rely on Mortgagor's ownership of the Property as a means of maintaining the value of the Property as security for repayment of the Debt and the performance of the Other Obligations. Mortgagor acknowledges that Lender has a valid interest in maintaining the value of the Property so as to ensure that, should Borrower default in the repayment of the Debt or Mortgagor default in the performance of the Other Obligations, Lender can recover the Debt, or part thereof, by a sale of the Property in accordance with the terms of the Loan Documents.

Section 6.2. No Sale/Encumbrance. Neither Mortgagor nor any Restricted Party shall Transfer the Property or any part thereof or any interest therein or permit or suffer the Property or any part thereof or any interest therein to be transferred other than as expressly permitted pursuant to the terms of the Loan Agreement.

ARTICLE VII. - RIGHTS AND REMEDIES UPON DEFAULT

Section 7.1. Remedies. Upon the occurrence and during the continuance of any Event of Default, Mortgagor agrees that Lender may take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Mortgagor and in and to the Property, including, but not limited to, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as Lender may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Lender:

- (a) declare the entire unpaid Debt to be immediately due and payable;
- (b) institute proceedings, judicial or otherwise, for the complete foreclosure of this Mortgage under any applicable provision of law, in which case the Property or any interest

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therein may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner;

(c) with or without entry, to the extent permitted and pursuant to the procedures provided by applicable law, institute proceedings for the partial foreclosure of this Mortgage for the portion of the Debt then due and payable, subject to the continuing lien and security interest of this Mortgage for the balance of the Debt not then due, unimpaired and without loss of priority;

(d) to the extent permitted by applicable law, sell for cash or upon credit the Property or any part thereof and all estate, claim, demand, right, title and interest of Mortgagor therein and rights of redemption thereof; pursuant to power of sale or otherwise, at one or more sales, as an entirety or in parcels, at such time and place, upon such terms and after such notice thereof as may be required or permitted by law;

(e) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein, in the Note, the Loan Agreement or in the other Loan Documents;

(f) recover judgment on the Note either before, during or after any proceedings for the enforcement of this Mortgage or the other Loan Documents;

(g) apply for the appointment of a receiver, trustee, liquidator or conservator of the Property, without notice and without regard for the adequacy of the security for the Debt and without regard for the solvency of Individual Borrower, any Other Borrower, Operating Company or any guarantor or any indemnitor with respect to the Loan or of any Person liable for the payment of the Debt;

(h) the license granted to Mortgagor under Section 1.2 hereof shall automatically be revoked and, to the extent permitted by applicable law, Lender may enter into or upon the Property, either personally or by its agents, nominees or attorneys and dispossess Mortgagor and its agents and servants therefrom, without liability for trespass, damages or otherwise and exclude Mortgagor and its agents or servants wholly therefrom, and take possession of all books, records and accounts relating thereto and Mortgagor agrees to surrender possession of the Property and of such books, records and accounts to Lender upon demand and thereupon Lender may (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Property and conduct the business thereat; (ii) complete any construction on the Property in such manner and form as Lender deems advisable; (iii) make alterations, additions, renewals, replacements and improvements to or on the Property; (iv) exercise all rights and powers of Mortgagor with respect to the Property, whether in the name of Mortgagor or otherwise, including, without limitation, the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Rents of the Property and every part thereof; (v) require Mortgagor to pay monthly in advance to Lender, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Property as may be occupied by Mortgagor; (vi) require Mortgagor to vacate and surrender possession of the Property to Lender or to such receiver and, in default thereof, Mortgagor may be evicted by summary proceedings or otherwise; and (vii) apply the

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receipts from the Property to the payment of the Debt, in such order, priority and proportions as Lender shall deem appropriate in its sole discretion after deducting therefrom all expenses (including reasonable attorneys' fees) incurred in connection with the aforesaid operations and all amounts necessary to pay the Taxes, Other Charges, insurance and other expenses in connection with the Property, as well as just and reasonable compensation for the services of Lender, its counsel, agents and employees;

(i) exercise any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing: (i) the right to take possession of the Fixtures, the Equipment, the Personal Property or any part thereof, and to take such other measures as Lender may deem necessary for the care, protection and preservation of the Fixtures, the Equipment, the Personal Property, and (ii) request Mortgagor at its expense to assemble the Fixtures, the Equipment, the Personal Property and make it available to Lender at a convenient place acceptable to Lender. Any notice of sale, disposition or other intended action by Lender with respect to the Fixtures, the Equipment, and/or the Personal Property sent to Mortgagor in accordance with the provisions hereof at least ten (10) days prior to such action, shall constitute commercially reasonable notice to Mortgagor;

(j) apply any sums then deposited or held in escrow or otherwise by or on behalf of Lender in accordance with the terms of the Loan Agreement, this Mortgage or any other Loan Document to the payment of the following items in any order in its sole discretion: (i) Taxes and Other Charges; (ii) Insurance Premiums; (iii) interest on the unpaid principal balance of the Note; (iv) the unpaid principal balance of the Note; and (v) all other sums payable pursuant to the Note, the Loan Agreement, this Mortgage and the other Loan Documents, including without limitation advances made by Lender pursuant to the terms of this Mortgage;

(k) pursue such other remedies as Lender may have under applicable law; or

(l) apply the undisbursed balance of any Net Proceeds Deficiency deposit, together with interest thereon, to the payment of the Debt in such order, priority and proportions as Lender shall deem to be appropriate in its discretion.

In the event of a sale, by foreclosure, power of sale (to the extent permitted by applicable law) or otherwise, of less than all of the Property, this Mortgage shall continue as a lien and security interest on the remaining portion of the Property unimpaired and without loss of priority.

Section 7.2. Application of Proceeds. Subject to the terms of the Loan Agreement, upon the occurrence and during the continuance of an Event of Default the purchase money, proceeds and avails of any disposition of the Property, and or any part thereof, or any other sums collected by Lender pursuant to the Note, this Mortgage or the other Loan Documents, may be applied by Lender to the payment of the Debt in such priority and proportions as Lender in its discretion shall deem proper.

Section 7.3. Right to Cure Defaults. Upon the occurrence and during the continuance of any Event of Default, or if Mortgagor fails to make any payment or to do any act as herein provided (and the continuation of such failure beyond any applicable notice or cure

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period, if any), Lender may, but without any obligation to do so and without notice to or demand on Mortgagor and without releasing Mortgagor from any obligation hereunder, make any payment or do any act required of Mortgagor hereunder in such manner and to such extent as Lender may deem necessary to protect the security hereof. Lender is authorized to enter upon the Property for such purposes, or appear in, defend, or bring any action or proceeding to protect its interest in the Property or to foreclose this Mortgage or collect the Debt, and all actual out-of-pocket cost and expense thereof (including reasonable attorneys' fees to the extent permitted by law), with interest as provided in this Section 7.3, shall constitute a portion of the Debt and shall be due and payable to Lender within ten (10) days of Lender's written demand. All such costs and expenses incurred by Lender in remedying such Event of Default or such failed payment or act or in appearing in, defending, or bringing any such action or proceeding shall bear interest at the Default Rate, for the period after notice from Lender that such cost or expense was incurred to the date of payment to Lender. All such costs and expenses incurred by Lender together with interest thereon calculated at the Default Rate shall be deemed to constitute a portion of the Debt and be secured by this Mortgage and the other Loan Documents and shall be immediately due and payable within ten (10) days of Lender's written demand therefor.

Section 7.4. Actions and Proceedings. Lender has the right to appear in and defend any action or proceeding brought with respect to the Property, and to bring any action or proceeding, in the name and on behalf of Mortgagor, which Lender, in its discretion, decides should be brought to protect its interest in the Property provided that Lender shall notify Mortgagor that it intends to bring such action at least ten (10) Business Days prior to Lender instituting any such action (unless (x) an Event of Default has occurred and is continuing or (y) the provision of such notice by Lender will materially prejudice Lender's security interest in the Property or Lender's rights and remedies under the Loan Documents, in either of which events such notice shall not be required), and Lender shall endeavor to provide to Mortgagor and its legal counsel reasonable periodic status as to any such action brought by Lender.

Section 7.5. Recovery of Sums Required To Be Paid. Subject to the terms of the Loan Agreement, Lender shall have the right from time to time to take action to recover any sum or sums which constitute a part of the Debt as the same become due, without regard to whether or not the balance of the Debt shall be due, and without prejudice to the right of Lender thereafter to bring an action of foreclosure, or any other action, for any Event of Default by Mortgagor under the Loan Documents or by any Other Borrower under the Loan Documents existing at the time such earlier action was commenced.

Section 7.6. Examination of Books and Records. At reasonable times and upon reasonable notice, Lender, its agents, accountants and attorneys shall have the right to examine the records, books, management and other papers of Mortgagor which reflect upon their financial condition, at the Property or at any office regularly maintained by Mortgagor where the books and records are located. Lender and its agents shall have the right to make copies and extracts from the foregoing records and other papers. In addition, at reasonable times and upon reasonable notice, Lender, its agents, accountants and attorneys shall have the right to examine and audit the books and records of Mortgagor pertaining to the income, expenses and operation of the Property during reasonable business hours at any office of Mortgagor where the books and

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records are located. This Section 7.6 shall apply throughout the term of the Note and without regard to whether an Event of Default has occurred or is continuing.

Section 7.7. Other Rights, Etc. (a) The failure of Lender to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Mortgage. Mortgagor shall not be relieved of Mortgagor's obligations hereunder by reason of (i) the failure of Lender to comply with any request of Mortgagor, any Other Borrower or any guarantor or any indemnitor with respect to the Loan to take any action to foreclose this Mortgage or otherwise enforce any of the provisions hereof or of the Note or the other Loan Documents, (ii) the release, regardless of consideration, of the whole or any part of the Property, or of any person liable for the Debt or any portion thereof, or (iii) any agreement or stipulation by Lender extending the time of payment or otherwise modifying or supplementing the terms of the Note, this Mortgage or the other Loan Documents.

(b) It is agreed that at all times prior to Lender or its nominee or designee or any purchaser at a foreclosure sale or other Person (other than the Mortgagor specifically named herein or any Affiliate thereof) owning the Property, the risk of loss or damage to the Property is on Mortgagor, and Lender shall have no liability whatsoever for decline in value of the Property, for failure to maintain the Policies, or for failure to determine whether insurance in force is adequate as to the amount of risks insured. Possession by Lender shall not be deemed an election of judicial relief if any such possession is requested or obtained with respect to any Property or collateral not in Lender's possession.

(c) Lender may resort for the payment of the Debt to any other security held by Lender in such order and manner as Lender, in its discretion, may elect. Subject to applicable law, Lender may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Lender thereafter to foreclose this Mortgage. The rights of Lender under this Mortgage shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Lender shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision. Lender shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every right and remedy now or hereafter afforded at law or in equity.

Section 7.8. Right to Release Any Portion of the Property. Lender may release any portion of the Property for such consideration as Lender may require under the Loan Documents without, as to the remainder of the Property, in any way impairing or affecting the lien or priority of this Mortgage, or improving the position of any subordinate lienholder with respect thereto, except to the extent that the obligations hereunder shall have been reduced by the actual monetary consideration, if any, received by Lender for such release, and may accept by assignment, pledge or otherwise any other property in place thereof as Lender may require without being accountable for so doing to any other lienholder. This Mortgage shall continue as a lien and security interest in the remaining portion of the Property.

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Section 7.9. Violation of Laws. If the Property is not in material compliance with Legal Requirements, Lender may impose additional requirements upon Borrower in connection therewith to the extent expressly provided for under the terms of the Loan Agreement.

Section 7.10. Recourse and Choice of Remedies. Notwithstanding any other provision of this Mortgage or the Loan Agreement, including, without limitation, Section 9.3 of the Loan Agreement, to the fullest extent permitted by applicable law, Lender and other Indemnified Parties (as hereinafter defined) are entitled to enforce the obligations of Mortgagor contained in Sections 9.2 and 9.3 herein and without first resorting to or exhausting any security or collateral and without first having recourse to the Note or any of the Property, through foreclosure or acceptance of a deed in lieu of foreclosure or otherwise, and in the event Lender commences a foreclosure action against the Property, Lender is entitled to pursue a deficiency judgment with respect to such obligations against Mortgagor. The provisions of Sections 9.2 and 9.3 herein are exceptions to any non-recourse or exculpation provisions in the Loan Agreement, the Note, this Mortgage or the other Loan Documents, and Mortgagor is fully and personally liable for the obligations pursuant to Sections 9.2 and 9.3 herein. The liability of Mortgagor pursuant to Sections 9.2 and 9.3 herein is not limited to the original principal amount of the Note. Notwithstanding the foregoing, nothing herein shall inhibit or prevent Lender from foreclosing or exercising any other rights and remedies pursuant to the Loan Agreement, the Note, this Mortgage and the other Loan Documents, whether simultaneously with foreclosure proceedings or in any other sequence. A separate action or actions may be brought and prosecuted against Mortgagor pursuant to Sections 9.2 and 9.3 herein whether or not action is brought against any other Person or whether or not any other Person is joined in the action or actions. In addition, Lender shall have the right but not the obligation to join and participate in, as a party if it so elects, any administrative or judicial proceedings or actions initiated in connection with any matter addressed in Article 9 herein.

Section 7.11. Right of Entry. Upon reasonable notice to Borrower, Lender and its agents shall have the right to enter and inspect the Property at all reasonable times.

ARTICLE VIII. - PREPAYMENT

Section 8.1. Prepayment. The Debt may not be prepaid in whole or in part except in accordance with the express terms and conditions of the Loan Agreement.

ARTICLE IX. - INDEMNIFICATION

Section 9.1. General Indemnification. Mortgagor shall, at its sole cost and expense, protect, defend, indemnify, release and hold harmless, or cause to be protected, defended, indemnified, released and held harmless, the Indemnified Parties from and against any and all actual claims, suits, liabilities (including, without limitation, strict liabilities), actions, proceedings, obligations, debts, damages (excluding consequential or punitive damages), losses, costs, expenses, fines, penalties, charges, fees, expenses, judgments, awards, amounts paid in settlement, of whatever kind or nature (including, but not limited to, reasonable attorneys' fees and other costs of defense) (collectively, the "Losses") imposed upon or incurred by or asserted against any Indemnified Parties and directly or indirectly arising out of or in any way relating to any one or

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more of the following: (a) ownership of this Mortgage, the security interest in the Property or receipt of any Rents hereunder; (b) any amendment to, or restructuring of, the Debt, the Note, the Loan Agreement, this Mortgage, or any other Loan Documents in accordance with the terms of the Loan Agreement; (c) any and all action that may be taken by Lender in accordance with applicable Legal Requirements and the terms of the Loan Documents in connection with the enforcement of the provisions of this Mortgage, the Loan Agreement, the Note or any of the other Loan Documents, whether or not suit is filed in connection with same, or in connection with any Mortgagor, any Other Borrower, any guarantor or any indemnitor and/or any partner, joint venturer or shareholder thereof becoming a party to a voluntary or involuntary federal or state bankruptcy, insolvency or similar proceeding; (d) any accident, injury to or death of persons or loss of or damage to property occurring in or on the Property or any part thereof or if arising out of or in connection with the use or operation of the Property or any action or obligation of Trustor, on the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (e) any use, nonuse or condition in, on or about the Property or any part thereof or if arising out of or in connection with the use or operation of the Property or any action or obligation of Trustor, on the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (f) intentionally omitted; (g) performance of any labor or services or the furnishing of any materials or other property in respect of the Property or any part thereof; (h) the failure of any person to file timely with the Internal Revenue Service an accurate Form 1099-B, Statement for Recipients of Proceeds from Real Estate, Broker and Barter Exchange Transactions, which may be required in connection with this Mortgage, or to supply a copy thereof in a timely fashion to the recipient of the proceeds of the transaction in connection with which this Mortgage is made; (i) any failure of the Property to be in compliance with any Legal Requirements; (j) the enforcement by any Indemnified Party of the provisions of this Article 9; (k) any and all claims and demands whatsoever which may be asserted against Lender by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants, or agreements contained in any Lease; or (l) the payment of any commission, charge or brokerage fee to anyone claiming through Mortgagor which may be payable in connection with the funding of the Loan; provided, however, that Mortgagor shall not be liable for the payment of any Losses to the extent same arise as a result of the gross negligence, willful misconduct, fraud or illegal acts of any Indemnified Party. This provision shall survive payment of the Note in full and the satisfaction of all other obligations of Borrower under this Mortgage, the Loan Agreement and the other Loan Documents. Any Losses incurred by Lender by reason of the application of this Section 9.1 shall become due and payable within ten (10) days of Lender's written demand and shall bear interest at the Default Rate from the date loss or damage is sustained by Lender until paid.

Section 9.2. Mortgage and/or Intangible Tax. Mortgagor shall, at its sole cost and expense, protect, defend, indemnify, release and hold harmless, or cause to be protected, defended, indemnified, released and held harmless, the Indemnified Parties from and against any and all Losses imposed upon or incurred by or asserted against any Indemnified Parties and directly or indirectly arising out of or in any way relating to any tax on the making and/or recording of this Mortgage, the Note or any of the other Loan Documents, but excluding any income, franchise or other similar taxes. Mortgagor hereby agrees that, in the event that it is determined that any documentary stamp taxes or intangible personal property taxes are due hereon or on any mortgage or promissory note executed in connection herewith (including, without limitation, the Note),

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Mortgagor shall indemnify and hold harmless the Indemnified Parties for all such documentary stamp and/or intangible taxes, including all penalties and interest assessed or charged in connection therewith.

Section 9.3. ERISA Indemnification. Mortgagor shall, at its sole cost and expense, protect, defend, indemnify, release and hold harmless, or cause to be protected, defended, indemnified, released and held harmless, the Indemnified Parties from and against any and all Losses (including, without limitation, reasonable attorneys' fees and costs incurred in the investigation, defense, and settlement of Losses incurred in correcting any prohibited transaction or in the sale of a prohibited loan, and in obtaining any individual prohibited transaction exemption under ERISA that may be required, in Lender's reasonable discretion) that Lender may incur, directly or indirectly, as a result of a breach of any of the representations made under Section 4.1.9 of the Loan Agreement or a breach of any negative covenants contained in Section 5.2.9 of the Loan Agreement.

Section 9.4. Duty to Defend; Attorneys' Fees and Other Fees and Expenses. Upon written request by any Indemnified Party, Mortgagor shall defend, or cause to be defended, such Indemnified Party (if requested by any Indemnified Party, in the name of the Indemnified Party) by attorneys and other professionals reasonably approved by the Indemnified Parties, from and against any Losses. Notwithstanding the foregoing, if the defendants in any such claim or proceeding include both Individual Borrower and/or any Other Borrower and any Indemnified Party and Individual Borrower and/or such Other Borrower and such Indemnified Party shall have reasonably concluded that there are any legal defenses available to Individual Borrower, and/or such Other Borrower and/or such Indemnified Parties that are different from or additional to those available to Individual Borrower and/or such Other Borrower, such Indemnified Party shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on behalf of such Indemnified Party, provided that no compromise or settlement shall be entered without Mortgagor's consent, which consent shall not be unreasonably withheld. Mortgagor shall not be liable for the expenses of more than one (1) legal counsel for the Indemnified Parties, unless any Indemnified Party shall have reasonably concluded that the positions of any Indemnified Party are in conflict with another Indemnified Party. Within ten (10) days of written demand, Mortgagor shall pay (or cause to be paid) or, in the sole and absolute discretion of the Indemnified Parties, reimburse (or cause to be reimbursed), the Indemnified Parties for the payment of reasonable fees and disbursements of attorneys, engineers, environmental consultants, laboratories and other professionals in connection therewith.

ARTICLE X. - WAIVERS

Section 10.1. Waiver of Counterclaim. To the extent permitted by applicable law, Mortgagor hereby waives the right to assert a counterclaim, other than a mandatory or compulsory counterclaim, in any action or proceeding brought against it by Lender arising out of or in any way connected with this Mortgage, the Loan Agreement, the Note, any of the other Loan Documents, or the Obligations.

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Section 10.2. Marshalling and Other Matters. To the extent permitted by applicable law, Mortgagor hereby waives the benefit of all appraisement, valuation, stay, extension, reinstatement and redemption laws now or hereafter in force and all rights of marshalling in the event of any sale hereunder of the Property or any part thereof or any interest therein. Further, Mortgagor hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on behalf of Mortgagor, and on behalf of each and every person acquiring any interest in or title to the Property subsequent to the date of this Mortgage and on behalf of all persons to the extent permitted by applicable law.

Section 10.3. Waiver of Notice. To the extent permitted by applicable law, Mortgagor shall not be entitled to any notices of any nature whatsoever from Lender except with respect to matters for which this Mortgage or the Loan Documents specifically and expressly provides for the giving of notice by Lender to Mortgagor and except with respect to matters for which Lender is required by applicable law to give notice, and each Mortgagor hereby expressly waives the right to receive any notice from Lender with respect to any matter for which this Mortgage or the Loan Agreement does not specifically and expressly provide for the giving of notice by Lender to any Mortgagor.

Section 10.4. Waiver of Statute of Limitations. To the extent permitted by applicable law, Mortgagor hereby expressly waives and releases to the fullest extent permitted by law, the pleading of any statute of limitations as a defense to payment of the Debt or performance of its Other Obligations.

Section 10.5. Survival. The indemnifications made pursuant to Sections 9.1, 9.2 and 9.3 herein shall continue indefinitely in full force and effect and shall survive and shall in no way be impaired by any of the following: any satisfaction or other termination of this Mortgage, any assignment or other transfer of all or any portion of this Mortgage or Lender's interest in the Property (but, in such case, shall benefit both Indemnified Parties and any assignee or transferee), any exercise of Lender's rights and remedies pursuant hereto including, but not limited to, foreclosure or acceptance of a deed in lieu of foreclosure, any exercise of any rights and remedies pursuant to the Loan Agreement, the Note or any of the other Loan Documents, any transfer of all or any portion of the Property (whether by Mortgagor or by Lender following foreclosure or acceptance of a deed in lieu of foreclosure or at any other time), any amendment to this Mortgage, the Loan Agreement, the Note or the other Loan Documents, and any act or omission that might otherwise be construed as a release or discharge of Mortgagor from the obligations pursuant hereto.

ARTICLE XI. - EXCULPATION

The provisions of Section 9.3 of the Loan Agreement are hereby incorporated by reference into this Mortgage to the same extent and with the same force as if fully set forth herein.

ARTICLE XII. - NOTICES

All notices or other written communications hereunder shall be delivered in accordance with Section 10.6 of the Loan Agreement, provided that any notice or other written

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communication to Operating Company shall be delivered to Operating Company at the address set forth on page 1 hercof.

ARTICLE XIII. - APPLICABLE LAW

Section 13.1. Governing Law. This Mortgage shall be governed in accordance with the terms and provisions of Section 10.3 of the Loan Agreement; provided that the provisions of this Mortgage regarding the creation, perfection and enforcement of the Liens and security interests herein granted shall be governed by and construed under the laws of the State in which the Property is located.

Section 13.2. Waiver of Trial by Jury. MORTGAGOR AND LENDER (BY ITS ACCEPTANCE HEREOF) EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER IN CONTRACT, TORT OR OTHERWISE, BASED ON, ARISING OUT OF, UNDER, OR IN CONNECTION WITH, OR RELATED, DIRECTLY OR INDIRECTLY, TO THE LOAN AND/OR THIS MORTGAGE, THE NOTE OR THE OTHER LOAN DOCUMENTS, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ANY ACTS OR OMISSIONS OF ANY PARTY HERETO OR BENEFICIARY HEREOF, OR THEIR RESPECTIVE OFFICERS, EMPLOYEES, DIRECTORS OR AGENTS IN CONNECTION THEREWITH. MORTGAGOR AND LENDER EACH HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF MORTGAGOR OR LENDER OR THEIR COUNSEL HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT MORTGAGOR OR LENDER WOULD NOT SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISIONS. MORTGAGOR ACKNOWLEDGES THAT THE PROVISIONS OF THIS PARAGRAPH ARE A MATERIAL INDUCEMENT TO LENDER TO MAKE THE LOAN.

Section 13.3. Usury Laws. Notwithstanding anything to the contrary, (a) all agreements and communications between Mortgagor and Lender are hereby and shall automatically be limited so that, after taking into account all amounts deemed interest, the interest contracted for, charged or received by Lender shall never exceed the maximum lawful rate or amount, (b) in calculating whether any interest exceeds the lawful maximum, all such interest shall be amortized, prorated, allocated and spread over the full amount and term of all principal indebtedness of Borrower to Lender, and (c) if through any contingency or event, Lender receives or is deemed to receive interest in excess of the lawful maximum, any such excess shall be deemed to have been applied toward payment of the principal of any and all then outstanding indebtedness of Borrower to Lender, or if there is no such indebtedness, shall immediately be returned to Borrower.

Section 13.4. Provisions Subject to Applicable Law. All rights, powers and remedies provided in this Mortgage may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law and are intended to be limited to the extent necessary so that they will not render this Mortgage invalid, unenforceable or not entitled to be

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recorded, registered or filed under the provisions of any applicable law. If any term of this Mortgage or any application thereof shall be invalid or unenforceable, the remainder of this Mortgage and any other application of the term shall not be affected thereby.

ARTICLE XIV. - DEFINITIONS

All capitalized terms not defined herein shall have the respective meanings set forth in the Loan Agreement. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Mortgage may be used interchangeably in singular or plural form and the word "**Mortgagor**" shall mean "Mortgagor and any subsequent owner or owners of the Property or any part thereof or any interest therein," the word "**Individual Borrower**" shall be deemed to refer to each and every Individual Borrower, jointly and severally, and to include the successors and assigns of each such Individual Borrower and any subsequent owner or owners of the Property or any part thereof or any interest therein (other than Lender, its designee or any Person that acquires title to all or any portion of the Property from Lender or such designee), the word "**Operating Company**" shall be deemed to refer to each and every Operating Company comprising the Operating Company from time to time, jointly and severally, and to include the successors and assigns of each such Operating Company (other than Lender, its designee or any Person that acquires title to all or any portion of the Property from Lender or such designee), the word "**Guarantor**" shall be deemed to refer to each and every Person comprising the Guarantor from time to time, jointly and severally, and to include the successors and assigns of each such Person, the word "**Lender**" shall mean "Lender and any subsequent holder of the Note," the word "**Note**" shall mean "the Note and any other evidence of indebtedness secured by this Mortgage," the word "**Property**" shall include any portion of the Property and any interest therein, and the phrases "**attorneys' fees**", "**legal fees**" and "**counsel fees**" shall include any and all reasonable attorneys', paralegal and law clerk fees and disbursements, including, but not limited to, fees and disbursements at the pre-trial, trial and appellate levels incurred or paid by Lender in protecting its interest in the Property, the Leases, the Operating Lease and the Rents and enforcing its rights hereunder.

ARTICLE XV. - MISCELLANEOUS PROVISIONS

Section 15.1. No Oral Change. This Mortgage, and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Mortgagor or Lender, but only by an agreement in writing signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

Section 15.2. Successors and Assigns. This Mortgage shall be binding upon and inure to the benefit of Mortgagor and Lender and their respective successors and assigns forever.

Section 15.3. Inapplicable Provisions. If any term, covenant or condition of the Loan Agreement, the Note or this Mortgage is held to be invalid, illegal or unenforceable in any respect, the Loan Agreement, the Note and this Mortgage shall be construed without such provision.

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Section 15.4. Headings, Etc. The headings and captions of various Sections of this Mortgage are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

Section 15.5. Number and Gender. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

Section 15.6. Subrogation. If any or all of the proceeds of the Note have been used to extinguish, extend or renew any indebtedness heretofore existing against the Property, then, to the extent of the funds so used, Lender shall be subrogated to all of the rights, claims, liens, titles, and interests existing against the Property heretofore held by, or in favor of, the holder of such indebtedness and such former rights, claims, liens, titles, and interests, if any, are not waived but rather are continued in full force and effect in favor of Lender and are merged with the lien and security interest created herein as cumulative security for the repayment of the Debt, the performance and discharge of Mortgagor's obligations hereunder, under the Loan Agreement, the Note and the other Loan Documents and the performance and discharge of the Other Obligations.

Section 15.7. Entire Agreement. The Note, the Loan Agreement, this Mortgage and the other Loan Documents constitute the entire understanding and agreement between Mortgagor and Lender with respect to the transactions arising in connection with the Debt and supersede all prior written or oral understandings and agreements between Mortgagor or Borrower, as applicable, and Lender with respect thereto. Mortgagor hereby acknowledges that, except as incorporated in writing in the Note, the Loan Agreement, this Mortgage and the other Loan Documents, there are not, and were not, and no persons are or were authorized by Lender to make, any representations, understandings, stipulations, agreements or promises, oral or written, with respect to the transaction which is the subject of the Note, the Loan Agreement, this Mortgage and the other Loan Documents.

Section 15.8. Limitation on Lender's Responsibility. No provision of this Mortgage shall operate to place any obligation or liability for the control, care, management or repair of the Property upon Lender, nor shall it operate to make Lender responsible or liable for any waste committed on the Property by the tenants or any other Person, or for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property resulting in loss or injury or death to any tenant, licensee, employee or stranger unless Lender has taken title to the Property. Nothing herein contained shall be construed as constituting Lender a "mortgagee in possession."

Section 15.9. Joint and Several Liability; Limitation on Operating Company's Liability. To the extent the obligations set forth herein are expressly stated to be obligations of the Mortgagor or of both Individual Borrower and Operating Company, each of Borrower and Operating Company shall be jointly and severally liable for the performance of such obligations. Nothing contained herein shall in any way alter or modify Borrower's obligations as a joint or several obligor (with Other Borrowers) for the repayment of the Debt and performance

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of the Obligations. Lender by its acceptance hereof, and its successors and assigns, agrees that Operating Company is not a Borrower and shall not be personally liable for repayment of the Debt.

Section 15.10. Conflict of Terms. In the event of any conflict between the terms of this Mortgage and the terms of the Loan Agreement, the terms of the Loan Agreement shall control.

Section 15.11. Cross Collateralization and Cross Default. Individual Borrower acknowledges that in order to induce Lender to make the Loan, this Mortgage and each other mortgage, deed of trust and deed to secure debt which secures the Loan (collectively, the “**Other Mortgages**”) shall be cross-collateralized and cross-defaulted as provided herein. In accordance with the terms and provisions of the Loan Agreement, without limitation to any other right or remedy provided to Lender in this Mortgage or in any of the other Loan Documents, Mortgagor agrees that this Mortgage and the Other Mortgages are and will be cross-collateralized and cross-defaulted with each other so that (i) an Event of Default (as defined in, and as determined pursuant to, the Loan Agreement) by (a) Mortgagor under this Mortgage or (b) any Other Borrower under any Loan Document shall constitute an Event of Default; (ii) an Event of Default (as determined pursuant to the Loan Agreement) under the Note, the Loan Agreement or this Mortgage shall constitute an Event of Default; and (iii) this Mortgage and each Other Mortgage shall constitute security for the Note as if a single blanket lien were placed on all of the Individual Properties as security for the Note.

ARTICLE XVI. - STATE-SPECIFIC PROVISIONS

Section 16.1. Principles of Construction. In the event of any inconsistencies between the terms and conditions of this Article 16 and the terms and conditions of this Mortgage, the terms and conditions of this Article 16 shall control and be binding.

Section 16.2. 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**”), *Illinois Compiled Statutes*, 735 ILCS 5/15-1101 et. seq., as from time to time amended, and with respect to such Act, Mortgagor agrees and covenants that:

(a) 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 date hereof. If any provision in this Mortgage shall be inconsistent with any provision of the Act, provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act. If any provision of this Mortgage shall grant to Lender (including Lender acting as a Lender-in-possession) or a receiver appointed pursuant to the provisions of this Mortgage any powers, rights or remedies prior to, upon or following the occurrence of an Event of Default which are more limited than the powers, rights or remedies that would otherwise be vested in Lender or in such receiver under the Act in the absence of said provision, Lender and such receiver shall be vested with the powers, rights and remedies granted in the Act to the full extent permitted by law;

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

(c) 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 herein below referred to:

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

(ii) payments by Lender of (i) principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrances; (ii) 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 Property or any part thereof; (iii) other obligations authorized by the Mortgage; or (iv) 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;

(iv) attorneys' fees and other costs incurred: (i) 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; (ii) 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 (iii) in preparation for or in connection with the commencement, prosecution or defense of any other action related to the Mortgage or the Property;

(v) Lender's fees and costs, including 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;

(vii) expenses incurred and expenditures made by Lender for any one or more of the following: (i) if the Property or any portion thereof constitutes one or more units under

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a condominium declaration, assessments imposed upon the unit owner thereof; (ii) if Mortgagor's interest in the 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; (iii) 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 Lender takes possession of the Property imposed by Section 5/15-1704 (c) (1) of the Act; (iv) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (v) payments deemed by Lender to be required for the benefit of the Property or required to be made by the owner of the Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Property; (vi) shared or common expense assessments payable to any association or corporation in which the owner of the Property is a member in any way affecting the Property; (vii) if the loan secured hereby is a construction loan, costs incurred by Lender for demolition, preparation for and completion of construction, as may be authorized by the applicable commitment, credit agreement or other agreement; (viii) payments required to be paid by Mortgagor or Lender pursuant to any lease or other agreement for occupancy of the Property; and (ix) if the Mortgage is insured, payment of FHA or private mortgage insurance required to keep such insurance in force;

(d) 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;

(e) 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. All Protective Advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in: (i) the determination of the amount of indebtedness secured by this Mortgage at any time; (ii) the indebtedness found due and owing to the Lender in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudication or findings by the court of any additional indebtedness becoming due after such entry of judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose; (iii) if right of redemption is deemed not to be waived by this Mortgage, computation of amount required to redeem, pursuant to subsections (d)(2) and (c) of Section 15-1603 of the Act; (iv) determination of amounts deductible from sale proceeds pursuant to Section 15-1512 of the Act; (v) application of income in the hands of any receiver or Lender in possession; and (vi) computation of any deficiency judgment pursuant to subsections (b)(2) and (e) of Sections 15-1508 and Section 15-1511 of the Act.

(f) In addition to any provision of this Mortgage authorizing the Lender to take or be placed in possession of the Property, or for the appointment of a receiver, Lender shall have the right, in accordance with Sections 5/15-1701 and 5/15-1702 of the Act, to be placed in

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possession of the 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 5/15-1701 and 5/15-1703 of the Act; and

(g) Mortgagor acknowledges that the Property does not constitute agricultural real estate, as said term is defined in Section 5/15-1201 of the Act, or residential real estate, as defined in Section 5/15-1219 of the Act.

(h) Pursuant to Section 5/15-1601(b) of the Act, Mortgagor hereby waives any and all right of redemption.

Section 16.3. Future Advances. To the extent permitted by applicable law, Mortgagor covenants and agrees that this Mortgage shall secure the payment of all loans and advances made pursuant to the terms of the Loan Documents, whether such loans and advances are made as of the date hereof, or at any time in the future, and whether such future advances are obligatory, or are to be made at the option of Lender or otherwise (but not advances or loans made more than twenty (20) years after the date hereof), to the same extent as if such future advances were made on the date of the execution of this Mortgage and, although there may be no advances made at the time of the execution of this Mortgage and, although there may be no other indebtedness outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all debt, including future advances, from the time of its filing of record in the office of the Recorder of Deeds of the County in which the Property is located. The total amount of the debt may increase or decrease from time to time, but the total unpaid principal balance of the debt (including disbursements which Lender may make under this Mortgage, or any other document or instrument evidencing or securing the debt), at any time outstanding, shall not exceed the amount referred to in the Granting Clauses of this Mortgage. This Mortgage shall be valid and shall have priority over all subsequent liens and encumbrances, including statutory liens, except taxes and assessments levied on the Property, to the extent of the amount secured hereby; provided, however, that the maximum amount secured hereby shall not exceed two hundred percent (200%) of the face amount of the Note.

Section 16.4. Business Loan. Mortgagor covenants and agrees that (i) all of the proceeds of the Loan secured by this Mortgage will be used solely for business purposes and in furtherance of the regular business affairs of Mortgagor, (ii) the beneficiary of Mortgage is a "business," as that term is defined in the Illinois Interest Act, 815 ILCS 205/0.01, et seq., including Section 4(1)(c) thereof; and (iii) the entire principal obligation secured hereby constitutes (A) a "business loan," as that term is used in Section 4(1)(c) thereof; and (B) a "loan secured by a mortgage on real estate" within the purview and operation of Section 4(1)(l) thereof, and (iv) the indebtedness secured hereby is an exempted transaction under the Truth-In-Lending Act, 15 U.S.C. Section 1601m, et seq. and has been entered into solely for business purposes of Mortgagor and for Mortgagor's investment or profit; as contemplated by said section.

Section 16.5. Collateral Protection Insurance. If at any time Mortgagor fails to provide Lender with evidence of the insurance coverage required by this Mortgage, Lender,

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pursuant to the terms of the Illinois Collateral Protection Act, 815 ILCS 180/1 et seq., may purchase insurance at Mortgagor's expense to protect Lender's interest in the Property. This insurance may, but need not, protect Mortgagor's interests. The coverage that Lender purchases may not pay any claim that Mortgagor may make or any claim that is made against Mortgagor in connection with the Property. Mortgagor may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Mortgagor has obtained insurance as required by this Mortgage. If Lender purchases insurance for the Property, Mortgagor will be responsible for the costs of that insurance, including interest and any other charges that Lender imposes 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 Mortgagor's total outstanding balance or obligation secured hereby. The costs of the insurance may be more than the costs of insurance that Mortgagor may be able to obtain through Mortgagor's own efforts.

Section 16.6. Fixture Filing. This Mortgage also constitutes a "fixture filing" pursuant to Section 9-502 of the Illinois Uniform Commercial Code, Illinois Compiled Statutes, Chapter 810 ILCS 5/1-101, et. seq. and shall be filed in the real estate records of the applicable county's real estate records office.

- (a) Name of Debtor: Grand Prix Chicago LLC, a Delaware limited liability company.
- (b) Debtors' Mailing Address: As set forth in the introductory paragraph of this Mortgage.
- (c) Debtors' Organizational ID: 4364253 (Grand Prix Chicago LLC) and 4362763 (Grand Prix Fixed Lessee LLC).
- (d) Address of the Property: Set forth on Exhibit A.
- (e) Name of Secured Parties: Morgan Stanley Bank, N.A., JPMorgan Chase Bank, National Association, and Bank of America, N.A.
- (f) Address of Secured Parties: As set forth in the introductory paragraph of this Security Instrument.
- (g) This financing statement covers the Property and/or the Collateral, and any proceeds or products of such Property and/or Collateral.
- (h) Some of the above goods are or are to become fixtures on the Fee Land described herein. Individual Borrower is the record owner of the Fee Land described herein upon which the foregoing fixtures and other items and types of property are located set forth on Exhibit A.

[NO FURTHER TEXT ON THIS PAGE]

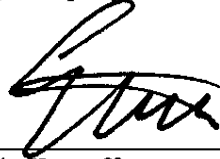
Property Name: Residence Inn
Rosemont/O'Hare
Property Address: 7101 Chestnut Street
Rosemont, Illinois 60018

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

MORTGAGOR:

GRAND PRIX CHICAGO LLC, a Delaware limited liability company



By: _____
Name: Eric Kentoff
Title: Authorized Signatory

GRAND PRIX FIXED LESSEE LLC, a Delaware limited liability company



By: _____
Name: Eric Kentoff
Title: Authorized Signatory

Property of Cook County Clerk's Office

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ACKNOWLEDGMENTS

STATE OF FLORIDA

COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 1st day of Nov, 2019, by Eric Kentoff, as an Authorized Signatory of GRAND PRIX CHICAGO LLC, a Delaware limited liability company, who is personally known to me or has produced _____ (state) driver's license or _____ as identification.

Michelle Marlowe

Notary Public (Signature)

My Commission Expires:

(AFFIX NOTARY SEAL)



Michelle Marlowe

(Printed Name)

STATE OF FLORIDA

COUNTY OF PALM BEACH

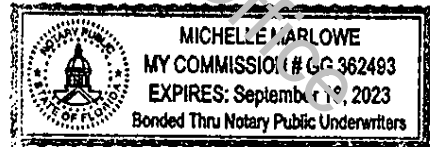
The foregoing instrument was acknowledged before me this 1st day of Nov, 2019, by Eric Kentoff, as an Authorized Signatory of GRAND PRIX FIXED LESSEE LLC, a Delaware limited liability company, who is personally known to me or has produced _____ (state) driver's license or _____ as identification.

Michelle Marlowe

Notary Public (Signature)

My Commission Expires:

(AFFIX NOTARY SEAL)



Michelle Marlowe

(Printed Name)

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EXHIBIT A

LEGAL DESCRIPTION

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

Parcel 1:

Lot 1 in Rosemont Center Commercial Development Subdivision, being a Subdivision of part of the Northeast 1/4 of the Northeast 1/4 of Section 32, Township 41 North, Range 12, East of the Third Principal Meridian, in Cook County, Illinois, according to the Plat thereof recorded March 19, 1997 as document 97189092, in the Village of Rosemont in Cook County, Illinois.

Parcel 2:

Perpetual, non-exclusive easement for the benefit of Parcel 1 created and granted by Easement Agreement dated March 13, 1997 recorded March 19, 1997 as document number 97-189095 from Fujisawa USA, Inc., a Delaware corporation, to Residence Inn by Marriott, Inc., a Delaware corporation, for pedestrian and vehicular ingress, egress, and access in, on, over and across certain driveway improvements to be constructed in the easement area described in exhibit "d" thereto and described as follows: that part of Lots 2 and 3 in Rosemont Center Commercial Development Subdivision, being a subdivision of part of the Northeast 1/4 of the Northeast 1/4 of Section 32, Township 41 North, Range 12 East of the Third Principal Meridian, described as follows: beginning at the Northwest corner of said Lot 2; thence North 90 Degrees 00 Minutes 00 Seconds East, 25.00 feet along the North line of said lot 2 to a line 25.00 feet East of and parallel with the Northerly West line of said lot; thence South 00 Degrees 00 Minutes 00 Seconds East; 95.00 feet along said parallel line; then South 04 Degrees 43 Minutes 01 Seconds West, 145.00 feet to a line 13.00 feet East of and parallel with said Northerly West line; thence South 00 Degrees 00 Minutes 00 Seconds East; 163.00 feet along said parallel line, thence South 90 Degrees 00 Minutes 00 Seconds West, 48.00 feet to the Southerly West line of said Lot, thence North 00 Degrees 00 Minutes 00 Seconds West, 26.00 feet along said Southerly West line of said Lot; thence North 90 Degrees 00 Minutes 00 Seconds East, 22.00 feet to a line 13.00 feet west of and parallel with said Northerly West line, said Northerly West line also being the East line of Lot 3 in said Subdivision; thence North 00 Degrees 00 Minutes 00 Seconds West, 377.00 feet along said parallel line to the North line of said Lot 3; thence North 90 Degrees 00 Minutes 00 Seconds East, 12.00 feet along the North line of said Lot 3 to said point of beginning, in the Village of Rosemont, Cook County, Illinois.

Parcel 3:

Perpetual, non-exclusive Easement for the benefit of Parcel 1 created and granted by Easement Agreement dated March 13, 1997 and recorded March 19, 1997 as document number 97-189095 from Fujisawa USA, Inc., a Delaware corporation, to Residence Inn by Marriott, Inc., a Delaware corporation, solely for the purposes of installing, operating, repairing, replacing, and removing a monument sign and related electrical lines to service same, to advertise the improvements on the grantee Parcel (and upon an election by grantor thereunder, the grantor Parcel), in the Easement

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area described in exhibit "e" thereto and described as follows: the East 10.00 feet of the West 45.00 feet of the South 20.00 feet of the North 27.00 feet of lot 2 in Rosemont Center Commercial Development Subdivision, being a Subdivision of part of the Northeast 1/4 of the Northeast 1/4 of Section 32, Township 41 North, Range 12 East of the Third Principal Meridian, in the Village of Rosemont, Cook County, Illinois.

Parcel 4:

Perpetual, non-exclusive Easement for the benefit of Parcel 1 created and granted by Easement Agreement dated March 13, 1997 recorded March 19, 1997 as document number 97-189095 from Fujisawa USA, Inc., a Delaware corporation, to Residence Inn by Marriott, Inc., a Delaware corporation, for vehicular and pedestrian ingress and egress to use seven (7) parking spaces in an area to be mutually agreed upon between grantor and grantee, such parking to be constructed by grantor on Lot 4 of grantor Parcel, as more particularly described in exhibit "g" thereto and described as follows: Lot 4 in Rosemont Center Commercial Development Subdivision, being a Subdivision of part of Northeast 1/4 of the Northeast 1/4 of Section 32, Township 41 North, Range 12 East of the Third Principal Meridian, in the Village of Rosemont, Cook County, Illinois.

Parcel 5:

Perpetual, non-exclusive Easement for the benefit of Parcel 1 created and granted by Easement Agreement dated March 5, 1997 recorded March 19, 1997 as document number 97-189096 from Village of Rosemont, Illinois, an Illinois municipal corporation, to Residence Inn by Marriott, Inc., a Delaware corporation, over, across, and upon that portion of the Village parcel described below which shall permit grantee to construct, install, maintain, repair, and replace, if necessary, a storm sewer under and upon said portion of the Village parcel described below: the West 20.00 feet of the East 300.00 feet of the South 10.00 feet of that part of the Northeast 1/4 of the Northeast 1/4 of Section 32, Township 41 North, Range 12 East of the Third Principal Meridian, described as follows: beginning at the intersection of a line 33.00 feet East of and parallel with the West line of the Northeast 1/4 of the Northeast 1/4 of Section 32 aforesaid with a line 50.00 feet South of and parallel with the North line of the Northeast 1/4 of said Section 32; thence East along the last described parallel line, 653.00 feet; thence South, perpendicular to said parallel line, 800.00 feet; thence West, parallel with said North line, to a point on a line 33.00 feet East of and parallel with the West line of the Northeast 1/4 of the Northeast 1/4 of said Section 32, thence North to the point of beginning, in Cook County, Illinois.

APN/Parcel ID: 09-32-201-026-000

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EXHIBIT B

OPERATING LEASE

Renewed and Restated Operating Lease Agreement, dated as of July 10, 2018, by and between Grand Prix Chicago LLC and Grand Prix Fixed Lessee LLC, as evidenced by that certain Amended and Restated Memorandum of Lease, dated on or about the date hereof.

Property of Cook County Clerk's Office
COOK COUNTY
RECORDER OF DEEDS
COOK COUNTY
RECORDER OF DEEDS

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SCHEDULE I

OTHER BORROWERS

GRAND PRIX ADDISON (RI) LLC
 GRAND PRIX ADDISON (SS) LLC
 GRAND PRIX ALTAMONTE LLC
 GRAND PRIX ARLINGTON LLC
 GRAND PRIX ATLANTA LLC
 GRAND PRIX ATLANTA (PEACHTREE CORNERS) LLC
 GRAND PRIX ATLANTIC CITY LLC
 GRAND PRIX BELLEVUE LLC
 GRAND PRIX BELMONT LLC
 GRAND PRIX BENCHAMTON LLC
 GRAND PRIX BOTHELL LLC
 GRAND PRIX CAMPBELL/SAN JOSE LLC
 GRAND PRIX CHERRY HILL LLC
 GRAND PRIX COLUMBIA LLC
 GRAND PRIX DENVER LLC
 GRAND PRIX EL SEGUNDO LLC
 GRAND PRIX ENGLEWOOD/DENVER SOUTH LLC
 GRAND PRIX FREMONT LLC
 GRAND PRIX FT. LAUDERDALE LLC
 GRAND PRIX GAITHERSBURG LLC
 GRAND PRIX HARRISBURG LLC
 GRAND PRIX HORSHAM LLC
 GRAND PRIX ISLANDIA LLC
 GRAND PRIX LAS COLINAS LLC
 GRAND PRIX LEXINGTON LLC
 GRAND PRIX LIVONIA LLC
 GRAND PRIX LOUISVILLE (RI) LLC
 GRAND PRIX LYNNWOOD LLC
 GRAND PRIX MONTVALE LLC
 GRAND PRIX MORRISTOWN LLC
 GRAND PRIX MT. LAUREL LLC
 GRAND PRIX NAPLES LLC
 GRAND PRIX ONTARIO LLC
 GRAND PRIX PORTLAND LLC
 GRAND PRIX RICHMOND LLC
 GRAND PRIX RICHMOND (NORTHWEST) LLC
 GRAND PRIX ROCKVILLE SUBSIDIARY LLC
 GRAND PRIX SADDLE RIVER LLC
 GRAND PRIX SAN JOSE LLC
 GRAND PRIX SHELTON LLC
 GRAND PRIX TROY (SE) LLC

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SCHEDULE-II(B)-1

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GRAND PRIX TUKWILA LLC
GRAND PRIX WINDSOR LLC
KPA/GP FT. WALTON BEACH LLC
KPA/GP LOUISVILLE (HI) LLC

Property of Cook County Clerk's Office

COOK COUNTY
RECORDER OF DEEDS

COOK COUNTY
RECORDER OF DEEDS

COOK COUNTY
RECORDER OF DEEDS

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SCHEDULE-II(B)-2