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\*2000946124\*

Illinois Anti-Predatory  
Lending Database  
Program

Certificate of Exemption



Report Mortgage Fraud  
844-768-1713

Doc# 2000946124 Fee \$88.00

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

EDWARD M. MOODY

COOK COUNTY RECORDER OF DEEDS

DATE: 01/09/2020 02:10 PM PG: 1 OF 16

The property identified as: **PIN:** 29-07-131-013-0000 & 29-07-131-012-0000

**Address:**

**Street:** 14525 Leavitt Ave

**Street line 2:**

**City:** Dixmoor

**State:** IL

**ZIP Code:** 60426

**Lender:** ALOHA CAPITAL, LLC

**Borrower:** PEOPLE FIRST CORPORATION

**Loan / Mortgage Amount:** \$197,803.50

This property is located within the program area and is exempt from the requirements of 765 ILCS 77/70 et seq. because it is not owner-occupied.

**Certificate number:** EE71CA29-6AD6-443D-A889-79821492F6E9

**Execution date:** 1/8/2020

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**THIS INSTRUMENT PREPARED BY:**

Aloha Capital, LLC

**WHEN RECORDED, RETURN TO:**

Aloha Capital, LLC  
2525 Arapahoe Avenue, Suite E4-  
259 Boulder, Colorado 80302

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

**Date of Document:** 1/8/2020

**Borrower Name and Address:** People First Corporation; 5550 Natalie Dr, Oak Forest, IL 60452

**Grantee Name and Address:** Aloha Capital, LLC; 2525 Arapahoe Ave., Suite E4-259, Boulder CO 80302

**Property Address:**  
**Parcel 1: 14525 Leavitt Ave, Dixmoor, IL 60426**  
**Parcel 2: 16401 Dixie Hwy, Markham, IL 60428**  
**Parcel 3: 312 Mohawk St, Park Forest, IL 60466**

**Legal Description:**

PARCEL 1: LOTS 36 AND 37 IN BLOCK 211 IN HARVEY, A SUBDIVISION OF PART OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 7, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, SOUTH OF THE INDIAN BOUNDARY LINE AND SOUTH OF THE CHICAGO AND GRAND TRUNK RAILROAD, IN COOK COUNTY, ILLINOIS. Pins: 29-07-131-012-0000 and 29-07-131-013-0000

PARCEL 2: THE SOUTH 1/2 OF VACATED 164TH STREET (EXCEPT THE NORTH 2.0 FEET THEREOF) LYING NORTH AND ADJOINING LOT 48 IN BLOCK 5 AND THE NORTH 15.0 FEET OF LOT 48 IN BLOCK 5 IN COLUMBIA ADDITION TO HARVEY, A SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 19, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS (EXCEPT THAT PART TAKEN FOR WIDENING OF DIXON HIGHWAY) Pin: 29-19-408-085-0000

PARCEL 3: LOT 31 IN BLOCK 92 IN VILLAGE PARK FOREST AREA NO. 4 BEING A SUBDIVISION OF THE EAST 1/2 OF SECTION 35 AND THE WEST 1/2 OF SECTION 36, TOWNSHIP 35 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT THEREOF RECORDED JUNE 25, 1951 AS DOCUMENT 15107640 IN COOK COUNTY, ILLINOIS. Pin: 31-35-210-017-0000

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**Note Amount:** \$197,803.50  
**Loan #:** 2019IL-PORT-RENT30R

**THIS DOCUMENT CONSTITUTES A FIXTURE FILING IN ACCORDANCE WITH THE Illinois  
UNIFORM COMMERCIAL CODE.**

**THIS MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING ("Mortgage")** dated 1/8/2020, is from People First Corporation, whose address is 5550 Natalie Dr, Oak Forest, IL 60452, ("Borrower", also referred to below sometimes as "Borrower") and Aloha Capital, LLC, whose address is 2525 Arapahoe Ave., Suite E4-259, Boulder, CO 80202 ("Lender," also referred to below sometimes as "Lender" and sometimes as "Beneficiary").

**CONVEYANCE AND GRANT.** FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness hereby secured, the receipt and sufficiency of which are hereby acknowledged, Borrower hereby grants, bargains, sells, conveys, mortgages and warrants to Lender and its successors and assigns forever, under and subject to the terms and conditions hereinafter set forth, all of Borrower's right, title and interest in and to the real estate described below:

A. The following described real property, together with all existing or subsequently erected or affixed buildings, improvements, easements and fixtures ("Real Property"):

**PARCEL 1:** LOTS 36 AND 37 IN BLOCK 2, 1 IN HARVEY, A SUBDIVISION OF PART OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 7, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, SOUTH OF THE INDIAN BOUNDARY LINE AND SOUTH OF THE CHICAGO AND GRAND TRUNK RAILROAD, IN COOK COUNTY, ILLINOIS. Pins: 29-07-131-012-0000 and 29-07-131-013-0000

**PARCEL 2:** THE SOUTH 1/2 OF VACATED 164TH STREET (EXCEPT THE NORTH 2.0 FEET THEREOF) LYING NORTH AND ADJOINING LOT 48 IN BLOCK 5 AND THE NORTH 15.0 FEET OF LOT 48 IN BLOCK 5 IN COLUMBIA ADDITION TO HARVEY, A SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 19, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS (EXCEPT THAT PART TAKEN FOR WIDENING OF DIXON HIGHWAY) Pin: 29-19-408-085-0000

**PARCEL 3:** LOT 31 IN BLOCK 92 IN VILLAGE PARK FOREST AREA NO. 4 BEING A SUBDIVISION OF THE EAST 1/2 OF SECTION 35 AND THE WEST 1/2 OF SECTION 36, TOWNSHIP 35 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT THEREOF RECORDED JUNE 25, 1951 AS DOCUMENT 15107640 IN COOK COUNTY, ILLINOIS. Pin: 31-35-210-017-0000

**The Real Property or its address is commonly known as**

**Parcel 1: 14525 Leavitt Ave, Dixmoor, IL 60426**

**Parcel 2: 16401 Dixie Hwy, Markham, IL 60428**

**Parcel 3: 312 Mohawk St, Park Forest, IL 60466**

B. TOGETHER WITH (1) all buildings and improvements now or hereafter situated on the Real Estate, and (2) all right, title and interest of Borrower in and to all fixtures, machinery, appliances, and equipment now or hereafter attached to the property, including but not limited to all heating, air conditioning, ventilation, plumbing, cooling, electrical and lighting fixtures and equipment; all landscaping; all exterior and interior improvements; all easements, issues, rights, appurtenances, rents, royalties, privileges, proceeds, profits, other minerals, water, water rights, and water stock, crops, grass and timber at any time growing upon

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said land, including replacements and additions thereto, all of which shall be deemed to be and remain a part of the Real Estate, and all furnishings and personal property (hereinafter collectively referred to as the "Improvements").

C. TOGETHER WITH all easements, rights of way and rights of or passage, public or private, and all estates, interests, benefits, powers, rights, privileges, licenses, profits, rents, royalties, tenements, hereditaments, reversions, remainders and appurtenances whatsoever in any way belonging, relating or appertaining to the Real Estate and the Improvements, whether now owned or hereafter acquired by Borrower.

D. TOGETHER WITH (1) any and all judgments, settlements, claims, awards, insurance proceeds and other proceeds and compensation, and interest thereon (collectively, "Compensation"), hereafter made or to be made or hereafter payable in connection with any casualty or other damage to the Real Estate or the Improvements, or in connection with any condemnation proceedings affecting such property or rights or any taking under power of eminent domain of such property or rights, or any other injury to or decrease in the value of such property or rights, (2) any and all proceeds of any sales, assignments or other dispositions of such property or rights, and (3) all proceeds, products, replacements, additions, substitutions, renewals and accessions of and to such property or rights.

All of the property described in paragraphs (A) through (D) above is herein referred to as the "Property."

**CROSS-COLLATERALIZATION.** In addition to the Note, this Mortgage secures all obligations, debts and liabilities, plus interest thereon, of Borrower and Guarantor to Lender, or anyone or more of them, as well as all claims by Lender against Borrower and Guarantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Borrower may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable. In the event that this Note is transferred, assigned or sold to a party not affiliated with Aloha Capital, LLC, the cross-collateralization terms above will be null and void.

Borrower, on behalf of itself, its successors, assigns, and Guarantor presently assigns to Lender (also known as Beneficiary in this Mortgage) all of Borrower's right, title, and interest in, and to all present and future leases of the Property and all Rents from the Property. In addition, Borrower grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

**THIS MORTGAGE AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE LOAN DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:**

**BORROWER'S REPRESENTATIONS AND WARRANTIES.** Borrower warrants that: (a) this Mortgage is executed at Borrower's request and not at the request of Lender; (b) Borrower has the full power, right, and authority to enter into this Mortgage and to hypothecate the Property; (c) the provisions of this Mortgage do not conflict with, or result in a default under any agreement or other instrument binding upon Borrower and do not result in a violation of any law, regulation, court decree or order applicable to Borrower; (d) Borrower has established adequate means of obtaining from Borrower, on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Borrower about Borrower (including without limitation the creditworthiness of Borrower).

**BORROWER'S WAIVERS.** Borrower waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Borrower, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action.

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all Indebtedness secured by this Mortgage as it becomes due, and Borrower shall strictly perform all their respective obligations under the Note, this Mortgage, and the Loan Documents.

**POSSESSION AND MAINTENANCE OF THE PROPERTY.** Borrower agrees that Borrower's possession and use of the Property shall be governed by the following provisions:

**Possession and Use.** Until the occurrence of an Event of Default, Borrower may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property. Borrower acknowledges that this Mortgage is for business purposes and further warrants they will not live in the Property.

**Duty to Maintain.** Borrower shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

**Compliance with Environmental Laws.** Borrower represents and warrants to Lender that: (1) During the period of Borrower's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Borrower has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, Substance on, under, about or from the Property by any prior owners or occupants of the Property,

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or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Borrower nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Borrower authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Borrower's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Borrower or to any other person. The representations and warranties contained herein are based on Borrower's due diligence in investigating the Property for Hazardous Substances. Borrower hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Borrower becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Borrower's ownership or interest in the Property, whether or not the same was or should have been known to Borrower. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

**Nuisance, Waste.** Borrower shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Borrower will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

**Removal of Improvements.** Borrower shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Borrower to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

**Lender's Right to Enter.** Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Borrower's compliance with the terms and conditions of this Mortgage.

**Compliance with Governmental Requirements.** Borrower shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

**Utilities.** Borrower shall pay or cause to be paid when due all utility charges which are incurred by Borrower or others for the benefit of or service to the Property or which may become a charge or lien against the Property for gas, electricity, water or sewer services furnished to the Property and all other assessments or charges of a similar nature, whether public or private, affecting the Property or any portion thereof, whether or not such assessments or charges are liens thereon.

**Duty to Protect.** Borrower agrees neither to abandon nor leave unattended the Property. Borrower shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

**DUE ON SALE - CONSENT BY LENDER.** Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Borrower is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Borrower. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by the law of the state in which the Property is located. A transfer as listing in the foregoing provision will be considered an Event of Default as described in the Loan Documents.

**TAXES AND LIENS.** The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

**Payment.** Borrower shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Borrower shall

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maintain the Property free of all liens having priority over or equal to the interest of Lender under this Mortgage, except for the lien of taxes and assessments not due and except as otherwise provided in this Mortgage.

**Right to Contest.** Borrower may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Borrower shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Borrower has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Borrower shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Borrower shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

**Evidence of Payment.** Borrower shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

**Notice of Construction.** Borrower shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, material men's lien, or other lien could be asserted on account of the work, services, or materials. Borrower will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Borrower can and will pay the cost of such improvements.

**Free From Liens.** Borrower will keep the asset free from any other liens and encumbrances, including but not limited to mortgages, deeds of trust, tax liens, mechanic's liens, judgment liens and security interests under the Uniform Commercial Code.

**PROPERTY DAMAGE INSURANCE.** The following provisions relating to insuring the Property are a part of this Mortgage.

**Maintenance of Insurance.** Borrower shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Borrower shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insureds in such liability insurance policies. Additionally, Borrower shall maintain such other insurance, including but not limited to hazard, business interruption, builders risk and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Borrower or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Borrower agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

**Force-Placed Insurance.** Unless Borrower provides evidence of the insurance coverage required by this Mortgage, Lender may purchase insurance at Borrower's expense to protect Lender's interests in the Property. This insurance may, but need not, protect Borrower's interests. The coverage that Lender purchases may not pay any claim that Borrower makes or any claim that is made against Borrower in connection with the Property. Borrower may later cancel any insurance purchased by Lender, but only after providing evidence that Borrower has obtained insurance as required hereby. If Lender purchases insurance for the collateral, Borrower will be responsible for the costs of that insurance, including the insurance premium, interest and any other charges Lender may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to Borrower's total outstanding balance or obligation. The costs of the insurance may be more than the cost of insurance that Borrower may be able to obtain on its own.

**Application of Proceeds.** Borrower shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Borrower fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Borrower shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Borrower from the proceeds for the reasonable cost of repair or restoration if Borrower is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has

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not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Borrower as Borrower's interests may appear.

**ASSIGNMENT.** Borrower does hereby sell, assign and transfer unto Lender all of the leases, rents and profits now due and which may hereafter become due under or by virtue of any lease, whether written or verbal, or any agreement for the use or occupancy of the Property, it being the intention of this Mortgage to establish an absolute transfer and assignment of all such leases and agreements and all of the rents and profits from the Property unto Lender, and Borrower does hereby appoint irrevocably Lender its true and lawful attorney in its name and stead, which appointment is coupled with an interest, to collect all of said rents and profits; provided, Borrower shall have the right to collect and retain such rents and profits unless and until an Event of Default has occurred under this Mortgage.

**TRANSFER OF LENDER'S INTEREST.** Borrower hereby agrees and acknowledges that Lender may, at its discretion and without any notice to Borrower, sell, assign and transfer any of its interests herein described under this Mortgage, Note and associated Loan Documents. Any transfer of interest under this section shall include but is not limited to: any amounts due and owing under the subject Note, any interest owed under the subject Note prior to and consistent with the terms of the Loan Documents, any interest reserves and/or interest escrows collected and associated with the Loan Documents, as well as any rights to any monetary interests contemplated under the terms of the Mortgage, Note and Loan Documents. Specifically, any transfer of Lender's interest as defined herein shall transfer and otherwise assign physical ownership of the Mortgage, Note, and other associated Loan Documents and all their rights contained therein unless expressly stated otherwise. Borrower further agrees to hold Lender harmless and indemnify Lender against any possible action to arise because of and subject to the transfer, as well as against any possible action that may arise after the transfer of interests occur.

**LEASES.** Borrower agrees (i) that it will not enter into any lease of the Property or any portion thereof without the prior written consent of Lender; (ii) that it will at all times duly perform and observe all of the terms, provisions, conditions and agreements on its part to be performed and observed under any and all leases of the Property or any portion thereof, and shall not suffer or permit any Default or Event of Default on the part of the lessor to exist thereunder; (iii) that it will not agree or consent to, or suffer or permit, any termination, surrender, modification, amendment or assignment of, or any sublease under, or waive any rights under, any lease of the Property, or any portion thereof; and (iv) except for security deposits not to exceed one month's rent for any one lessee, that it will not collect any rent for more than one month in advance of the date same is due. Unless otherwise approved by Lender, all leases of space in the Property shall be prepared on a lease form approved by Lender. Nothing herein contained shall be deemed to obligate Lender to perform or discharge any obligation, duty or liability of the lessor under any lease of the Property, and Borrower shall and does hereby indemnify and hold Lender harmless from any and all liability, loss or damage which Lender may or might incur under any leases of the Property or by reason of the assignment of rents; and any and all such liability, loss or damage incurred by Lender, together with the costs and expenses, including reasonable attorney's fees and expenses, incurred by Lender in the defense of any claims or demands therefor, whether successful or not, shall be so much additional indebtedness secured by this Mortgage, and Borrower shall reimburse Lender therefor on demand.

**Borrower's Report on Insurance.** Upon request of Lender, however not more than once a year, Borrower shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risk insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Borrower shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

**LENDER'S EXPENDITURES.** If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Borrower fails to comply with any provision of this Mortgage or any Loan Documents, including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Mortgage or any Loan Documents, Lender on Borrower's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged after default under the Note from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

**WARRANTY; DEFENSE OF TITLE.** The following provisions relating to ownership of the Property are a part of this Mortgage:

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**Title.** Borrower warrants that: (a) Borrower holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Borrower has the full right, power, and authority to execute and deliver this Mortgage to Lender.

**Defense of Title.** Subject to the exception in the paragraph above, Borrower warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Borrower's title or the interest of the Lender under this Mortgage, Borrower shall defend the action at Borrower's expense. Borrower may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Borrower will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

**Compliance with Laws.** Borrower warrants that the Property and Borrower's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

**Survival of Representations and Warranties.** All representations, warranties, and agreements made by Borrower in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full.

**CONDEMNATION AND EMINENT DOMAIN.** The following provisions relating to condemnation proceedings are a part of this Mortgage:

**Proceedings.** Should the Property or any part thereof or interest therein be taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner, or should Borrower receive any notice or other information regarding any such proceeding, Borrower shall promptly notify Lender in writing, and Borrower shall promptly take such steps as may be necessary to defend the action and obtain the award. Borrower may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Borrower will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

**Application of Net Proceeds.** If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation. Lender shall be entitled to all compensation, awards and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name any action or proceedings. Lender shall also be entitled to make any compromise or settlement in connection with such taking or damage. All proceeds of compensation, awards, damages, rights of action and proceeds awarded to Borrower are hereby assigned to Lender and Borrower shall execute such further assignments of such proceeds as Lender may require.

**IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES.** The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

**Current Taxes, Fees and Charges.** Upon request by Lender, Borrower shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Borrower shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

**Taxes.** The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Borrower.

**Subsequent Taxes.** If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Borrower either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

**SECURITY AGREEMENT; FINANCING STATEMENTS.** The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

**Security Agreement.** This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.



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**Security Interest.** Upon request by Lender, Borrower shall execute financing statements and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Borrower, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Borrower shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Borrower shall not remove, sever or detach the Personal Property from the Property. Upon default, Borrower shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Borrower and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

**Addresses.** The mailing addresses of Borrower (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Mortgage.

**FURTHER ASSURANCES; ATTORNEY-IN-FACT.** The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage:

**Further Assurances.** At any time, and from time to time, upon request of Lender, Borrower will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Borrower's and Borrower's obligations under the Note, this Mortgage, and the Loan Documents, and (2) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Borrower. Unless prohibited by law or Lender agrees to the contrary in writing, Borrower shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

**Attorney-in-Fact.** If Borrower fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Borrower and at Borrower's expense. For such purposes, Borrower hereby irrevocably appoints Lender as Borrower's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

**FULL PERFORMANCE.** Upon the full performance of all the obligations under the Note and this Mortgage, Lender may, upon production of documents and fees as required under applicable law, release this Mortgage, and such release shall constitute a release of the lien for all such additional sums and expenditures made pursuant to this Mortgage. Lender agrees to cooperate with Borrower in obtaining such release and releasing the other collateral securing the Indebtedness. Any release fees required by law shall be paid by Borrower, if permitted by applicable law.

**EVENTS OF DEFAULT.** Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

**Payment Default.** Borrower or Guarantor fails to make any payment when due under the Indebtedness.

**Other Defaults.** Borrower or Guarantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the Loan Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Guarantor.

**Compliance Default.** Failure to comply with any other term, obligation, covenant or condition contained in this Mortgage, the Note or in any of the Loan Documents. If such a failure is curable and if Borrower or Guarantor has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if Borrower or Guarantor, after Lender sends written notice demanding cure of such failure: (a) cures the failure within fifteen (15) days; or (b) if the cure requires more than fifteen (15) days, immediately initiates steps sufficient to cure the failure and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**Default on Any Agreement.** Borrower or Guarantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note, the Mortgage securing this Note, or in any of the Loan documents or fails to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Should Borrower or Guarantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's or any Guarantor's ability to repay the Indebtedness or perform their respective obligations under this Mortgage or any of the Loan Documents.

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**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or Guarantor or on Borrower's or Guarantor's behalf under this Mortgage or the Loan Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Defective Collateralization.** This Mortgage or any of the Loan Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Death or Insolvency.** The dissolution of Borrower (regardless of whether election to continue is made), the withdrawal of any Member, Manager or Officer from Borrower, or any other termination of Borrower's existence as a going business or the death of any Member, Manager, Officer or the Guarantor, the insolvency of Borrower or Guarantor, the appointment of a receiver for any part of Borrower's or Guarantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Guarantor.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Guarantor or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's or Guarantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Guarantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Guarantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party or any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Adverse Change.** A material adverse change occurs in Borrower's or Guarantor's financial condition, or Lender believes that the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**Subordinate lien creation.** The creation of a lien or encumbrance subordinate to this Mortgage without prior written consent of Lender.

**Occupancy.** Borrower or any of its principals shall, at any time, occupy any property acquired with the Loan as a personal residence.

**RIGHTS AND REMEDIES ON DEFAULT.** If an Event of Default occurs under this Mortgage, at any time thereafter, Lender may exercise anyone or more of the following rights and remedies:

**Election of Remedies.** Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower under this Mortgage, after Borrower's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

**Accelerate Indebtedness.** Lender shall have the right at its option without notice to Borrower to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Borrower would be required to pay.

**Foreclosure.** Lender shall have the right to cause all or any part of the Real Property, and Personal Property, if Lender decides to proceed against it as if it were real property, to bring an action to foreclose this Mortgage by action pursuant to the statutes of the state in which the Property is located in such case made and provided, power being expressly granted to sell the Property at public auction and convey the same to the purchaser in fee simple in one parcel or separate lots and parcels and, out of the proceeds arising from such sale, to pay the indebtedness secured hereby with interest with all such sums of money as Lender shall have expended or advanced pursuant to the Loan Documents or pursuant to statute, with interest thereon as provided in the Loan Documents, and the maximum attorneys' fees permitted by law, which costs, charges and fees Borrower agrees to pay, with the balance, if any, to be paid to the persons entitled thereto by law. Upon any such foreclosure sale, Lender may bid for and purchase the Property and, upon compliance with the terms of sale, may hold, retain and possess and dispose of such property in its own absolute right without further accountability. Lender may, to the extent permitted by law, and after allowing for costs and expenses of the sale, compensation and other charges, in paying the purchase price, apply any portion of or all of the Indebtedness in lieu of cash, to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon Assignment of Beneficial Interest. Lender shall have the right, at its option and without notice to Borrower, to employ any Assignment of Beneficial Interest executed by Borrower for the benefit of Lender.

**UCC Remedies.** With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

**Collect Rents.** Lender shall have the right, without notice to Borrower to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs,

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against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Borrower irrevocably designates Lender as Borrower's attorney-in-fact to endorse instruments received in payment thereof in the name of Borrower and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

**Appoint Receiver.** Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver. Receiver may be appointed by a court of competent jurisdiction upon ex parte application and without notice, notice being expressly waived.

**Tenant's Sufferance.** If Borrower remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Borrower, Borrower shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

**Provisional Remedies - Foreclosure And Injunctive Relief:** Nothing shall be deemed to apply to limit the right of Lender to: (2) exercise self-help remedies, (b) foreclose judicially or non-judicially against any real or personal property collateral, or to exercise judicial or non-judicial power of sale rights, (c) obtain from a court provisional or ancillary remedies (including, but not limited to, injunctive relief, a writ of possession, prejudgment attachment, a protective order or the appointment of a receiver) or (d) pursue rights against Borrower or any other party in a third party proceeding in action brought against Lender (including, but not limited to, actions in bankruptcy court). Lender may exercise the rights set forth in the foregoing clauses (a) through (d), inclusive, before, during, or after the pendency of any proceeding.

**Other Remedies.** Lender shall have any other right or remedy provided in this Mortgage or the Note or by law.

**Attorneys' Fees; Expenses.** If Lender forecloses or institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorney's fees whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, and title insurance, to the extent permitted by applicable law. Borrower also will pay any court costs, in addition to all other sums provided by law.

**Waiver of Certain Rights.** Borrower shall not and will not apply for or avail itself of any appraisement, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but rather waives the benefit of such laws. Borrower for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Property marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety. Borrower hereby waives any and all rights of redemption under any applicable law, including, without limitation, redemption from sale or from or under any order, judgment or decree of foreclosure, pursuant to rights herein granted, on behalf of Borrower and all persons beneficially interested herein and 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 other persons to the extent permitted by the provisions of the laws of the State in which the Property are located.

**NOTICES.** Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when deposited in the United States first class mail with proper postage affixed sent to the address shown above or when sent by e-mail to the address shown on the Note, or when sent by telefacsimile to the telephone number shown above (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower agrees to keep Lender informed at all times of

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Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower is deemed to be notice given to all Borrowers.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Mortgage:

**Amendments.** This Mortgage, together with any Loan Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Annual Reports.** Borrower shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Borrower's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

**Caption Headings.** Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

**Correction of Clerical Errors.** Borrower agrees to fully cooperate and adjust for clerical errors on any or all loan closing documentation if deemed necessary or desirable in the reasonable discretion of Lender. Failure by the Borrower to cooperate in the above manner may be considered by Lender as an Event of Default, as referenced herein.

**Merger.** There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**Governing Law.** THIS DEED OF TRUST IS MADE BY GRANTOR AND ACCEPTED BY LENDER IN THE STATE OF COLORADO EXCEPT THAT AT ALL TIMES THE PROVISIONS FOR THE CREATION, PERFECTION, PRIORITY, ENFORCEMENT AND FORECLOSURE OF THE LIENS AND SECURITY INSTRUMENTS CREATED IN THE MORTGAGED PROPERTY UNDER THE LOAN DOCUMENTS SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAW OF THE STATE WHERE THE MORTGAGED PROPERTY IS LOCATED. TO THE FULLEST EXTENT PERMITTED BY THE LAW OF THE STATE WHERE THE MORTGAGED PROPERTY IS LOCATED, THE LAW OF THE STATE OF COLORADO SHALL GOVERN THE VALIDITY AND ENFORCEABILITY OF ALL LOAN DOCUMENTS, AND THE DEBT OBLIGATIONS ARISING HEREUNDER (BUT THE FOREGOING SHALL NOT BE CONSTRUED TO LIMIT LENDER'S RIGHTS WITH RESPECT TO SUCH SECURITY INTEREST CREATED IN THE STATE WHERE THE MORTGAGED PROPERTY IS LOCATED).

**Joint and Several Liability.** All obligations of Borrower under this Mortgage shall be joint and several, and all references to Borrower shall mean each and every Borrower. This means that each Borrower signing below is responsible for all obligations in this Mortgage. Where anyone or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Mortgage.

**Maximum Rate.** Notwithstanding anything to the contrary contained herein, under no circumstances shall the aggregate amount paid or agreed to be paid hereunder exceed the highest lawful rate permitted under applicable usury law (the "Maximum Rate") and the payment obligations of the Borrower under this Note are hereby limited accordingly. If under any circumstances, whether by reason of advancement or acceleration of the maturity of the unpaid principal balance hereof or otherwise, the aggregate amounts paid on this Note and the Loan Documents shall include amounts which by law are deemed interest and which would exceed the Maximum Rate, the Borrower stipulates that payment and collection of such excess amounts shall have been and will be deemed to have been the result of a mistake on the part of both Borrower and the holder of this Note and Loan Documents, and the party receiving such excess payments shall promptly credit such excess (to the extent only of such payments in excess of the Maximum Rate) against the unpaid principal balance hereof and any portion of such excess payments not capable of being so credited shall be refunded to Borrower.

**Mortgage Releases.** The terms of the related Mortgage or related Mortgage Loan Documents do not provide for the release of any related Mortgaged Property from the lien of the Mortgage except (a) a release accompanied by principal repayment of not less than 120% of the related allocated loan amount of such Mortgaged Property, (b) upon payment in full of such Mortgage Loan, or (c) as required pursuant to an order of condemnation or a material casualty.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Mortgage unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Mortgage shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, shall constitute a waiver of any of Lender's rights or of any of Borrower's obligations as to any future transactions. Whenever the consent of Lender is required under this Mortgage, the granting of such consent by Lender in any instance shall not constitute

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continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Severability.** If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

**Successors and Assigns.** Subject to any limitations stated in this Mortgage on transfer of Borrower's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Borrower, Lender, without notice to Borrower, may deal with Borrower's successors with reference to this Mortgage and the Indebtedness by way of forbearance or extension without releasing Borrower from the obligations of this Mortgage or liability under the Indebtedness.

**Time is of the Essence.** Time is of the essence in the performance of this Mortgage.

**Waiver of Homestead Exemption.** Borrower hereby releases and waives all rights and benefits of the homestead exemption law of the state in which the Property is located as to all Indebtedness secured by this Mortgage.

**Waiver of Redemption Period.** Borrower agrees to waive any redemption period that may exist after the foreclosure of this property as this loan is non-residential in nature and no party to this agreement resides in the property. In the event that a waiver of the entire Redemption Period is not permissible under the law of the State in which the Property is located, the Redemption Period shall be limited to the shortest time period allowed under the law.

**Ambiguities.** Borrower and Lender, and their respective legal counsel, have participated in the drafting of this Mortgage, and accordingly the general rule of construction to the effect that any ambiguities in a contract are to be resolved against the party drafting the contract shall not be employed in the construction and interpretation of this Mortgage.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Mortgage. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

**Beneficiary.** The word "Beneficiary" means Aloha Capital, LLC, and its successors and assigns.

**Borrower.** The word "Borrower" means People First Corporation and all other persons and entities signing the Note in whatever capacity.

**Mortgage.** The words "Mortgage" means this Mortgage from Borrower to Lender, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

**Default.** The word "Default" means the Default set forth in this Mortgage in the section titled "Default."

**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

**Guarantor.** The word "Guarantor" means Stephen Sieverin.

**Hazardous Substances.** The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

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**Improvements.** The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

**Indebtedness.** The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Loan Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Loan Documents and any amounts expended or advanced by Lender to discharge Borrower's obligations or expenses incurred by Lender to enforce Borrower's obligations under this Mortgage, together with interest on such amounts as provided in this Mortgage.

**Lender.** The word "Lender" means Aloha Capital, LLC, its successors and assigns.

**Note.** The word "Note" means the commercial promissory note dated 1/8/2020, in the original principal amount of \$197,803.50 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. This includes any allonge made thereto.

**Personal Property.** The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Borrower, and now or hereafter attached or affixed to the Real Property; together with all accessories, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

**Property.** The word "Property" means collectively the Real Property and the Personal Property.

**Real Property.** The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

**Loan Documents.** The words "Loan Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, assignments of beneficial interest and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

**Rents.** The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

[SIGNATURE PAGE(S) AND EXHIBIT(S),  
IF ANY, FOLLOW THIS PAGE]

Alameda County Clerk's Office

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**BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND BORROWER AGREES TO ITS TERMS.**

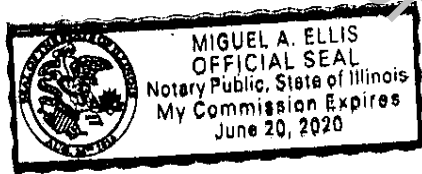
AGREED AND ACCEPTED:

People First Corporation, an Illinois Corporation

By: Stephen Sieverin  
Stephen Sieverin on behalf of People First Corporation


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

SWORN and SUBSCRIBED TO before me on the 8th day of January, 2020.



Miguel A. Ellis  
Notary Public  
(stamp) MIGUEL A. ELLIS

SIGNATURE PAGE TO MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING  
3 Prop Portfolio, Cook County, IL

 <b>First American Title™</b>	UNOFFICIAL COPY
	<b>ALTA Commitment for Title Insurance</b> <small>ISSUED BY</small> <b>First American Title Insurance Company</b>
Exhibit A	

Commitment File No.: IL20-4133

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

**PARCEL 1:**

LOTS 36 AND 37 IN BLOCK 211 IN HARVEY, A SUBDIVISION OF PART OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 7, TOWNSHIP 33 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, SOUTH OF THE INDIAN BOUNDARY LINE AND SOUTH OF THE CHICAGO AND GRAND TRUNK RAILROAD, IN COOK COUNTY, ILLINOIS.

Pins: 29-07-131-012-0000 and 29-07-131-013-0000

Property Address: 14525 Leavitt Ave., Dixmoor, IL 60426

**PARCEL 2:**

THE SOUTH 1/2 OF VACATED 164TH STREET (EXCEPT THE NORTH 2.0 FEET THEREOF) LYING NORTH AND ADJOINING LOT 48 IN BLOCK 5 AND THE NORTH 15.0 FEET OF LOT 48 IN BLOCK 5 IN COLUMBIA ADDITION TO HARVEY, A SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 19, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS (EXCEPT THAT PART TAKEN FOR WIDENING OF DIXON HIGHWAY)

Pin: 29-19-408-085-0000

Property Address: 16401 Dixie Hwy, Markham, IL 60428

**PARCEL 3:**

LOT 31 IN BLOCK 92 IN VILLAGE PARK FOREST AREA NO. 4 BEING A SUBDIVISION OF THE EAST 1/2 OF SECTION 35 AND THE WEST 1/2 OF SECTION 36, TOWNSHIP 35 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT THEREOF RECORDED JUNE 25, 1951 AS DOCUMENT 15107640 IN COOK COUNTY, ILLINOIS.

Pin: 31-35-210-017-0000

Property Address: 312 Mohawk St, Park Forest, IL 60466