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## Illinois Anti-Predatory Lending Database Program

### Certificate of Exemption



Report Mortgage Fraud  
844-768-1713

Doc#: 2007845012 Fee: \$98.00  
Edward M. Moody  
Cook County Recorder of Deeds  
Date: 03/18/2020 09:15 AM Pg: 1 of 23

The property identified as: PIN: 17-22-105-050-1100

**Address:**

Street: 100 E 14th St

Street line 2: Unit 1610

City: Chicago

State: IL

ZIP Code: 60605

Lender: City National Bank

Borrower: 89th And Bennett LLC

Loan / Mortgage Amount: \$322,000.00

This property is located within the program area and the transaction is exempt from the requirements of 765 ILCS 77/70 et seq. because the application was taken by an exempt entity.

19108235 2/2

Certificate number: 4AA4419D-D207-4B0B-8F79-BD8BF4D4318E

Execution date: 3/4/2020

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This document prepared by,  
and after recording return to:

City National Bank  
Attn: Post Closing  
P.O. Box 60938  
Los Angeles, CA 90060

Account No. XXX404  
TR No. 484617

Permanent Index Numbers:  
17-22-105-050-1100  
17-22-105-050-1367

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## MORTGAGE, SECURITY AGREEMENT, AND FIXTURE FILING FINANCING STATEMENT

This Mortgage, Security Agreement, and Fixture Filing Financing Statement (this "Mortgage") is made as of March 4, 2020, between 89<sup>th</sup> AND BENNETT LLC, an Illinois limited liability company, herein called "Mortgagor", whose address is c/o David Weise & Associates, 16000 Ventura Blvd., Suite 600, Encino, CA 91436, and CITY NATIONAL BANK, a national banking association, 4000 North Roxbury Drive, Suite 400, Beverly Hills, CA 90210, herein called "Mortgagee".

**1. IN CONSIDERATION OF THE INDEBTEDNESS (HEREINAFTER DEFINED), MORTGAGOR HEREBY GRANTS A SECURITY INTEREST, AND IRREVOCABLY MORTGAGES, GRANTS, BARGAINS, SELLS AND CONVEYS UNTO MORTGAGEE, its successors and assigns, forever, in the following property, rights, interests and estates now owned, or hereafter acquired, by Mortgagor (collectively, the "Mortgaged Property"):**

1.1. **CERTAIN REAL PROPERTY** in Cook County, Illinois, commonly known as 100 E. 14<sup>th</sup> St., Unit 1610, Chicago, Illinois 60605 and more particularly described in Exhibit "A" attached hereto and by this reference incorporated herein (the "Property");

1.2. **TOGETHER WITH** all the reversionary estate, right, title and interest of Mortgagor in and to all leases and other occupancy agreements affecting the Property or any portion thereof now or hereafter existing or entered into, together with any and all amendments, extensions and renewals thereof (the "Leases"), and any and all guarantees of the obligations of lessees under the Leases and under any and all amendments, extensions and renewals thereof, and all right, title and interest of Mortgagor thereunder, including, without limitation, all cash or security deposits, advance rentals, and deposits or payments of a similar nature;

1.3. **TOGETHER WITH** an absolute assignment of all rents, income, receipts, revenues, royalties, issues and profits and other benefits (collectively, the "Rents") now due or which may become due or to which Mortgagor may now or shall hereafter become entitled or may demand or claim, arising or issuing from or out of the Leases, or from or out of the Mortgaged Property or any part thereof, subject, however, to a license granted by Mortgagee to Mortgagor, as hereinafter provided, to collect and receive all of the Rents;

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1.4. **TOGETHER WITH** any and all buildings and improvements now or hereafter erected thereon (the "Improvements"), and all materials intended for construction, re-construction, alteration and repair of the Improvements, all of which materials shall be deemed to be included within the Property immediately upon the delivery thereof to the Property and including, but not limited to, the fixtures, attachments, appliances, equipment, machinery, and other articles attached to the Improvements (unless the context clearly indicates otherwise, all references herein to the "Property" shall be deemed to include not only the real property described in Exhibit "A" attached hereto but also the Improvements and all easements and other real property rights and interests appurtenant to the Property);

1.5. **TOGETHER WITH** all right, title and interest of Mortgagor in and to all options to purchase or lease the Property or any portion thereof or interest therein;

1.6. **TOGETHER WITH** all right, title and interest of Mortgagor in and to all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto, and all development rights, mineral rights, water rights and shares of stock evidencing the same;

1.7. **TOGETHER WITH** all right, title and interest of Mortgagor in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Property, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Property;

1.8. **TOGETHER WITH** all interests, estates or other claims, both in law and in equity, which Mortgagor now has or may hereafter acquire in the Property; and

1.9. **INTENTIONALLY OMITTED;**

1.10. **TOGETHER WITH** all right, title and interest of Mortgagor in and to all claims, causes of action and recoveries by settlement or otherwise for any damage to, or loss, taking, or diminution in the value of, any of the Property, or for any breach (or rejection in bankruptcy) of any lease of the Property or Collateral (as hereinafter defined) to Mortgagor as lessee, by any lessor thereunder (or such lessor's trustee in bankruptcy);

1.11. **TOGETHER WITH** all right, title and interest of Mortgagor in and to all tangible personal property owned by Mortgagor, whether or not acquired with the Loan proceeds, and now or at any time hereafter held or stockpiled on, at or off the Property for incorporation into or use in connection with the Improvements, including but not limited to: all goods, materials, supplies, tools, chattels, furniture, machinery, equipment, engines, appliances and fixtures now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Property and the Improvements, including those used for generating or distributing air, water, heat, electricity, light, fuel or refrigeration, or for ventilating or sanitary purposes, or for the exclusion of vermin or insects, or for the removal of dust, refuse or garbage; all wall beds, wall safes, built-in furniture and installations, shelving, lockers, partitions, doorstops, vaults, motors, elevators, dumbwaiters, awnings, window shades, venetian blinds, light fixtures, fire hoses and brackets and boxes for the same, fire sprinklers, alarm systems, draperies, drapery rods and brackets, mirrors, mantels, screens, linoleum, carpets and carpeting, plumbing, bathtubs, sinks, basins, pipes, faucets, water closets, laundry equipment, washers, dryers, ice boxes, refrigerators, heating units, stoves, ovens,

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ranges, dishwashers, disposals, water heaters, incinerators, furniture, fixtures and furnishings, communications systems, all specifically designed installations and furnishings, all building materials, supplies and equipment now or hereafter delivered to the Property; together with all additions to, substitutions for, changes in or replacements or renewals of the whole or any part of such articles of property; all of such items, whether now or hereafter installed, being hereby declared to be for all purposes of this Mortgage a part of the Property;

1.12. **TOGETHER WITH** all personal property located at any other location and marked for or identified on the books and records of Mortgagor, the general contractor, any subcontractor or materialman as being intended for incorporation into the Improvements;

1.13. **TOGETHER WITH** all building permits and any other licenses and approvals that may be required by the governmental authorities having or exercising jurisdiction over the construction of the Improvements;

1.14. **TOGETHER WITH** all plans and any working drawings that are used or intended for use in constructing the Improvements, whether in the possession of the Mortgagor, any architect employed by Mortgagor, the general contractor, any subcontractor or materialman;

1.15. **TOGETHER WITH** all the estate, interest, right, title or other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Mortgagor now has or may hereafter acquire in the Property, and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Property, including, without limitation, any awards resulting from a change of grade of streets and awards for severance damages;

1.16. **INTENTIONALLY OMITTED;**

1.17. **INTENTIONALLY OMITTED;**

1.18. **TOGETHER WITH** all rights that Mortgagor may have as declarant under any covenants, conditions or restrictions affecting the Property; and

1.19. **INTENTIONALLY OMITTED.**

**2. THIS MORTGAGE IS MADE FOR THE PURPOSE OF SECURING THE FOLLOWING OBLIGATIONS (THE "SECURED OBLIGATIONS") IN ANY ORDER OF PRIORITY THAT MORTGAGEE MAY CHOOSE:**

2.1. Due, prompt and complete performance of each obligation, covenant and agreement of Mortgagor herein contained, and repayment of any funds advanced by or which Mortgagee become obligated to advance under this Mortgage with interest thereon, at the Default Rate, as hereinafter provided.

2.2. Payment of the indebtedness in the principal sum of THREE HUNDRED TWENTY-TWO THOUSAND AND NO/100THS DOLLARS (\$322,000.00), with interest thereon, and performance of any other obligations evidenced by:

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2.2.1. one Promissory Note ("Note") of even date herewith executed by Mortgagor as "Borrower", in favor of Mortgagee or order; and

2.2.2. any modification, replacement, extension or renewal thereof (the "Indebtedness").

2.3. Payment and performance of all obligations for Mortgagor under any interest rate swap transaction if a writing such as a swap contract or agreement evidences the parties agreement that such obligations shall be secured by this Mortgage.

2.4. Payment and performance of such further sums and obligations of the then record owner of Property arising from any and all existing and future agreements and transactions with Mortgagee when a writing evidences the parties' agreement that the obligation or advance be so secured.

2.5. Due, prompt and complete payment and performance of each obligation, covenant and agreement of Mortgagor under a Supplemental Terms Letter of even date herewith executed by Mortgagor as "Borrower", and Mortgagee as "Lender," and all supplements, amendments and modifications thereto and all extensions and renewals thereof (the "Supplemental Terms Letter"), or in any other instrument heretofore or hereafter executed by Mortgagor having reference to or arising out of the loan transaction secured hereby which recites that the obligations thereunder are secured by this Mortgage.

PROVIDED, HOWEVER, that if the Secured Obligations shall have been paid in cash and performed in full, then, in such case Mortgagee shall, at the request and expense of Mortgagor, satisfy this Mortgage and the estate, right, title and interest of the Mortgagee in the Mortgaged Property shall cease, and upon payment to Mortgagee of all costs and expenses incurred for the preparation of the release hereinafter referenced and all recording costs if allowed by law, Mortgagee shall release this Mortgage and the lien, operation and effect hereof by proper instrument without recourse, covenant or warranty of any nature, express or implied.

This Mortgage, the Note, the Supplemental Terms Letter, any guaranty thereof and any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby may hereinafter be referred to as the "Loan Documents." In no event shall this Mortgage be deemed given to secure the obligations of Mortgagor, or any other "Indemnitor" thereunder, arising under any Environmental Indemnity Agreement made in respect of the Property, or the obligations of the guarantor under any guaranty given in support of the Secured Obligations, or any other obligor under an instrument given to further secure the Secured Obligations, notwithstanding the fact that such agreement, guaranty and instrument shall constitute Loan Documents as herein defined.

### 3. MORTGAGOR WARRANTS TO MORTGAGEE THAT:

3.1. It has good and marketable title to an indefeasible fee estate in the Property and good and marketable title to the balance of the Mortgaged Property, subject to no liens, encumbrances, easements, assessments, security interest, claims or defects of any kind except (a) those listed in Mortgagee's title insurance policy and approved by Mortgagee in writing (the "Exceptions"), and (b) real estate taxes for the current year;

3.2. The Exceptions and the real estate taxes are not delinquent or in default;



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- 3.3. It has the right to grant a security interest in the Mortgaged Property;
- 3.4. This Mortgage creates a first priority lien on the Property;
- 3.5. It will maintain and preserve the lien of this Mortgage until the Indebtedness has been paid in full; and
- 3.6. It has good, right and lawful authority to grant the liens and security interest as provided in and by this Mortgage.

4. **AFFIRMATIVE COVENANTS AND AGREEMENTS OF MORTGAGOR:**

4.1. **Payment of Indebtedness.** Mortgagor shall promptly pay and perform each Secured Obligation in accordance with its terms.

4.2. **Maintenance, Repair and Alterations.** Mortgagor shall, with respect to the Property:

4.2.1. Keep the Property in good condition and repair;

4.2.2. Not remove, demolish, diminish in any respect or materially alter any of the Improvements (including landscaped and recreation areas) or any on-site paved parking area and/or structures, and in the event of the demolition or destruction in whole or in part of any of the fixtures without the consent of Mortgagee, chattels or articles of personal property covered hereby and so long as such demolition or destruction is occasioned by a casualty for which Mortgagor is required to maintain insurance under this Mortgage, the same shall be replaced promptly by similar fixtures, chattels or articles of personal property free of superior titles, liens and claims and of a value at least equal to the value of the fixtures, chattels or articles of personal property demolished or destroyed;

4.2.3. Mortgagor shall not erect any new structures of any kind or additions to existing buildings or other structures which would alter the nature or lessen the quality of the Property or Improvements without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld;

4.2.4. Complete or restore promptly and in good and workmanlike manner any building or other structure that may be constructed, damaged or destroyed and pay when due all claims for labor performed and materials furnished therefor;

4.2.5. Comply with all laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Property or any part thereof or requiring any alterations or improvements to be made thereon;

4.2.6. Not commit, suffer or permit waste or deterioration;

4.2.7. Not commit, suffer or permit any act upon Property in violation of law, including but not limited to all Federal, state and local statutes, ordinances or regulations relating to hazardous or toxic waste or waste products or hazardous substances;

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4.2.8. Cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of the Property may be reasonably necessary to maintain its value, the specific enumerations herein not excluding the general;

4.2.9. Provide, maintain and deliver to Mortgagee, at no expense to Mortgagee, such evidence of insurance coverage, as may be reasonably required from time to time by Mortgagee, in form and substance satisfactory to Mortgagee, and naming Mortgagee as loss payee or additional insured, as the case may be;

4.2.10. Appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Mortgagee created hereunder, and protect, preserve and defend the Property and title thereto and right of possession thereof; and pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Mortgagee may appear, and in any suit brought by Mortgagee to foreclose this Mortgage; and give Mortgagee prompt notice in writing if any claim is asserted which does or could affect any of such matters, or if any action or proceeding is commenced which alleges or relates to any such claim;

4.2.11. Pay at least ten (10) days before delinquency all taxes, levies, charges and assessments affecting the Property, including assessments on appurtenant water stock, imposed by any public or quasi-public authority or utility company (including without limitation nongovernmental levies or assessments such as maintenance charges, owner association dues, charges or fees, and levies or charges resulting from covenants, conditions and restrictions affecting the Property), which are (or, if not paid, may become) a lien on all or part of the Property or any interest in it, or which may cause any decrease in the value of the Property or any part of it;

4.2.12. Pay and promptly discharge, at Mortgagor's cost and expense, all liens, encumbrances and charges upon the Mortgaged Property, or any part thereof or interest therein whether inferior or superior to this Mortgage and keep and maintain the same free from the claim of all persons supplying labor or materials that will enter into the construction of any and all buildings now being erected or that hereafter may be erected on the Property regardless of by whom such labor or materials may have been contracted, provided, however, that Mortgagor shall have the right to contest any such claim or lien so long as Mortgagor shall post a bond satisfactory to Mortgagee against such contested claim or lien. If Mortgagor shall fail to remove and discharge any such lien, encumbrance or charge, then, in addition to any other right or remedy of Mortgagee, Mortgagee may, but shall not be obligated to, discharge the same, either by paying the amount claimed to be due, or by procuring the discharge of such lien, encumbrance or charge by depositing in a court a bond or the amount claimed or otherwise giving security for such claim, or by procuring such discharge in such manner as is or may be prescribed by law. Mortgagor shall, immediately upon demand therefor by Mortgagee, pay to Mortgagee an amount equal to all costs and expenses incurred by Mortgagee in connection with the exercise by Mortgagee of the foregoing right to discharge any such lien, encumbrance or charge, together with interest thereon from the date of such expenditure at the Default Rate as hereinafter defined;

4.2.13. Cure within the time specified in any lease or sublease, or immediately if not specified, any defaults or breaches thereof and do all acts necessary to insure that any such lease or sublease remain in full force and effect;

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4.2.14. With respect to any property described above which is less than a fee-simple estate, including but not limited to a leasehold estate:

4.2.14.1. Mortgagor shall cure within the time specified in the above-described lease, or other agreement, or immediately if not specified therein, any default or breaches thereof and to do all acts necessary to insure the above-described lease or other agreement remains in full force and effect;

4.2.14.2. Mortgagor shall not voluntarily terminate, surrender or subordinate any leasehold or other estate encumbered hereby and any attempt by Mortgagor to do so shall be wholly void and without any force and effect.

## **5. MORTGAGOR FURTHER COVENANTS AND AGREES THAT TO EFFECTUATE THE TERMS AND CONDITIONS OF THIS MORTGAGE:**

5.1. **Inspections.** Mortgagee shall have the right from time to time without notice to inspect the Mortgaged Property.

5.2. **Actions of Mortgagee to Preserve Mortgaged Property.** Should Mortgagor fail to make any payment or to do any act as herein provided, then Mortgagee, but without obligation so to do and without notice to or demand upon Mortgagor and without releasing Mortgagor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Mortgagee being authorized to (i) enter upon and take possession of the Property for such purposes; (ii) make additions, alterations, repairs and improvements to the Mortgaged Property that Mortgagee may consider necessary or proper to keep the Mortgaged Property in good condition and repair; (iii) appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Mortgagee; (iv) pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and (v) in exercising any such powers, pay necessary expenses, employ counsel and pay reasonable fees therefor. Mortgagor shall pay immediately and without demand all sums so expended by Mortgagee, with interest from date of expenditure at the highest rate set forth in any obligation secured hereby following a default, or if the obligation secured hereby does not specify a rate of interest, at a fluctuating rate of interest equal to the Mortgagee's Prime Rate, as it exists from time to time, plus five percent (5.0%) per annum, but in no event less than nine percent (9.0%) per annum (the "Default Rate").

5.3. **Indemnity.** Mortgagor agrees to indemnify and hold Mortgagee, and any of its successors in interest, harmless from any waste or violations of law, including but not limited to all Federal, state and local statutes, ordinances or regulations relating to the environment and hazardous or toxic wastes.

5.4. **Condemnation.** Mortgagor hereby absolutely and irrevocably assigns to Mortgagee, and authorizes the payor to pay to Mortgagee, all awards of damages and all other compensation payable directly or indirectly in connection with any condemnation, proposed condemnation or taking for public or private use of or injury to the Property or any interest therein, and shall notify Mortgagee immediately upon obtaining knowledge of the institution of any proceedings therefor. Mortgagee, if it so chooses, may participate in any action or proceeding relating to any condemnation as herein contemplated. All moneys paid pursuant to this paragraph shall be applied first toward reimbursement of all of Mortgagee's costs and expenses of recovering such moneys, including attorneys' fees,



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and then in reduction of the principal amount of the Indebtedness to the extent necessary to render its security unimpaired. To the extent the Secured Obligations include obligations to reimburse the Mortgagee for moneys the Mortgagee is committed to advance to Mortgagor or third persons in the future, such award of damages shall be held as collateral for such reimbursement obligation in lieu of the property that is condemned. In the event of a partial taking in condemnation, the proceeds shall be apportioned in accord with applicable Illinois law, as it is in effect at the time of the award. An action for inverse condemnation shall be deemed an action for condemnation under this paragraph.

5.5. **Insurance.** Insurance proceeds shall be held, in trust, by Mortgagee and applied to the reasonable costs of repair and restoration of the Property if such proceeds, together with funds supplied by Mortgagor, are sufficient to restore the Property in such a manner that the Mortgagee's security interest hereunder remains unimpaired. If the insurance proceeds, together with funds supplied by Mortgagor, are not sufficient to restore the Property in such manner that the Mortgagee's security interest hereunder remains unimpaired, said proceeds, at the option of Mortgagee, may be applied to the obligation secured hereby or to restoration of the property. If Mortgagor disagrees with Mortgagee's disposition of insurance proceeds hereunder, Mortgagor agrees to submit the matter to binding arbitration, before a three-member panel (or one-member panel if the insurance proceeds are less than \$50,000) of the American Arbitration Association pursuant to the rules and regulations of the American Arbitration Association. The arbitrators shall also apportion the costs of arbitration, including attorneys' fees, to the extent each party has prevailed.

6. **ASSIGNMENT OF RENTS.** Mortgagor hereby gives to, confers upon and absolutely assigns to Mortgagee all of Mortgagor's right, power and interest, in and to the rents, issues and profits of the Property (the "Rents"), reserving unto Mortgagor the right, prior to the occurrence of any Event of Default, as defined below, by Mortgagor, and authority to collect and retain the Rents as they become due and payable. Upon any such Event of Default, Mortgagee may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Property or any part thereof, in its own name sue for or otherwise collect the Rents including those past due and unpaid, and apply the same, less costs and expense of operation and collection, including reasonable attorneys' fees, upon any indebtedness secured hereby, and in such order as Mortgagee may determine, and Mortgagor hereby appoints Mortgagee its attorney-in-fact, coupled with an interest, to perform any and all of the foregoing. The entering upon and taking possession of the Property, the collection of the Rents and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. The assignment of the Rents contained in this Mortgage is absolute and constitutes a present transfer of Mortgagor's interest in existing and future Rents with respect to the Property described in this Mortgage, effective upon the execution and delivery of this Mortgage.

7. **STATEMENT FEE.** Mortgagor or any other person legally entitled thereto agrees to pay the maximum amount permitted by law for any statement provided for by law in effect at the date of such statement regarding the obligation secured hereby.

8. **INTENTIONALLY OMITTED.**

9. **RELEASES, EXTENSIONS, MODIFICATIONS AND ADDITIONAL SECURITY.** At any time or from time to time, without liability therefor and without notice, Mortgagee may:

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release any person liable for payment of any Secured Obligations; extend the time for payment or otherwise alter the terms of payment of any Secured Obligation; accept additional real or personal property of any kind as security for any Secured Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security; or alter, substitute or release any property securing the Secured Obligations.

10. INTENTIONALLY OMITTED.

11. ACCELERATING TRANSFER, EVENTS OF DEFAULT AND REMEDIES.

11.1. Accelerating Transfer. SHOULD THE MORTGAGOR OR ANY PARTY COMPRISING MORTGAGOR, WITHOUT THE PRIOR WRITTEN CONSENT OF MORTGAGEE, SELL, CONVEY, TRANSFER, DISPOSE OF OR ENCUMBER THE PROPERTY OR ANY PART THEREOF OR ANY INTEREST THEREIN, OR ENTER INTO AN AGREEMENT TO DO SO WITHOUT THE PRIOR WRITTEN CONSENT OF MORTGAGEE BEING FIRST HAD AND OBTAINED, OR SHOULD ANY HOLDER OF AN EQUITY INTEREST IN ANY PARTY COMPRISING MORTGAGOR TRANSFER OR ENCUMBER SUCH INTEREST, WHETHER VOLUNTARILY, INVOLUNTARILY OR OTHERWISE (ANY SUCH EVENT, AN "ACCELERATING TRANSFER"), THEN MORTGAGEE MAY AT ITS OPTION DECLARE ALL SUMS SECURED HEREBY IMMEDIATELY DUE AND PAYABLE. THIS PROVISION SHALL APPLY TO EACH AND EVERY SALE, CONVEYANCE, TRANSFER, DISPOSITION OR ENCUMBRANCE, REGARDLESS OF WHETHER OR NOT MORTGAGEE HAS CONSENTED TO, OR WAIVED, ITS RIGHT HEREUNDER, WHETHER BY ACTION OR NON-ACTION, IN CONNECTION WITH ANY PREVIOUS SALE, CONVEYANCE, TRANSFER, DISPOSITION OR ENCUMBRANCE, WHETHER ONE OR MORE.

11.2. Events of Default. Any of the following events shall be deemed an event of default ("Event(s) of Default") hereunder:

11.2.1. Mortgagor fails to perform any obligation to pay money on the Note or this Mortgage, or the Supplemental Terms Letter, when and as the same shall become due and payable, whether at maturity or by acceleration or as part of a prepayment or otherwise, and does not cure that failure within ten (10) days after written notice from Mortgagee.

11.2.2. Mortgagor fails in the due, prompt and complete observance and performance of any obligation, covenant or agreement contained in this Mortgage, other than one to pay money, and the continuation thereof for a period of twenty (20) days after written notice thereof from Mortgagee to Mortgagor (the "Initial Cure Period"), if Mortgagee, exercising reasonable judgment, determines that the cure cannot reasonably be completed at or before the expiration of the Initial Cure Period, then such longer period as determined by Mortgagee, but in no event to exceed an additional ninety (90) days after the Initial Cure Period.

11.2.3. The occurrence of a default under any Secured Obligation.

11.2.4. The occurrence of any Event of Default, as defined therein, under any of the other Loan Documents.

11.2.5. INTENTIONALLY OMITTED.

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11.2.6. The occurrence of any default in the observance, performance or discharge of any condition, obligation, covenant or agreement contained in any other agreement of Mortgagor with Mortgagee.

The enumeration of specific defaults above which are also covenants herein shall not create any implication that other defaults which are also covenants but are not specifically enumerated are of lesser dignity.

11.3. **Remedies.** Upon the occurrence and during the continuance of any Event of Default, Mortgagee may, at its option and without notice or demand upon Mortgagor, exercise any one or more of the following remedies:

11.3.1. Declare all Indebtedness and any other sums secured hereby to be immediately due and payable and the same shall thereupon become due and payable without any presentment, demand, protest or notice of any kind; provided, however, that the remedy set forth in this Paragraph 11.3.1 shall be subject to Mortgagor's rights, if any, under the Supplemental Terms Letter to cure such Event of Default in the manner set forth therein.

11.3.2. In person or by agent or by a receiver appointed by a court, with or without bringing any action or proceeding and without regard to the adequacy of its security, the solvency of Mortgagor or the existence of waste, enter upon, take possession of, manage and operate the Property, or any part thereof, or any other portion of the Mortgaged Property, and do any acts that Mortgagee deems necessary or desirable to preserve the value, marketability or rentability of the Property and the balance of the Mortgaged Property, or part thereof or interest therein, to increase the income therefrom or to protect the security thereof, including without limitation the right to do any of the following: make, modify, enforce, cancel or accept surrender of any Leases now in effect or hereafter in effect on the Property or any part thereof, remove and evict any lessees; increase or decrease rents; decorate, clean and repair; incur and pay reasonable management, brokerage and attorneys' fees; maintain a reserve for replacement; and terminate the license granted to Mortgagor to collect the Rents, and, with or without taking possession of the Property, in Mortgagee's own name, demand, collect, receive, sue for, attach and levy the Rents, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including attorneys' fees, upon any Indebtedness, all in such order as Mortgagee may determine. The entering upon and taking possession of the Property, the collection of such Rents and the application thereof as aforesaid shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default. The enforcement of such right or remedy by Mortgagee, once exercised, shall continue for so long as Mortgagee shall elect notwithstanding that the collection and applications of the Rents may have cured for the time being the original default, and, notwithstanding the continuance in possession of the Property or the collection, receipt and application of Rents. Mortgagee shall be entitled to exercise every right provided for in any of the Loan Documents or by law upon occurrence of any Event of Default, including the right to exercise the power of sale contained herein. Any of the actions referred to in this Paragraph 11.3.2 may be taken by Mortgagee, either in person or by agent, with or without bringing any action or proceeding, or by receiver appointed by a court, and any such action may also be taken irrespective of whether any notice of default or election to sell has been given hereunder. Further, Mortgagee, at the expense of Mortgagor, either by purchase, repair, or construction, may from time to time maintain and restore the Property, or any part thereof, and complete construction of any

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Improvements uncompleted as of the date thereof and in the course of such completion may make such changes in the contemplated Improvements as Mortgagee may deem desirable and may insure the same.

11.3.3. Commence an action to foreclose this Mortgage as a mortgage, appoint a receiver, or specifically enforce any of the covenants hereof.

11.3.4. Deliver to Mortgagee a written declaration of default and demand for sale, and a written notice of default and election to cause Mortgagor's interest in the Mortgaged Property to be sold, which notice Mortgagee shall cause to be duly filed for record in the Official Records of the county in which the Property is located.

11.3.5. Proceed as to both the real and personal property in accordance with Mortgagee's rights and remedies in respect of the Property, or proceed to sell any personal property separately and without regard to the Property in accordance with Mortgagee's rights and remedies.

11.3.6. Subject to applicable law, exercise any or all of the other rights and remedies provided for herein, in any of the Loan Documents or other document or agreement now or hereafter securing all or any portion of the Secured Obligations, or available under law or in equity.

11.4. **Right to Foreclose.** In an Event of Default shall occur the Mortgagee may, either with or without entry or taking possession, proceed by suit or suits at law or in equity or by any other appropriate proceedings or remedy to enforce payment of the Secured Obligations or the performance of any other term hereof or any other right and the Mortgagor hereby authorizes and fully empowers the Mortgagee to foreclose this Mortgage by judicial proceedings or non-judicial proceedings, including without limitation by advertisement with power of sale (to the extent allowed by law), or by such other statutory procedure available in the State of Illinois and grants to the Mortgagee full authority to sell the Mortgaged Property at public auction and convey title to the Mortgaged Property to the purchaser, either in one parcel or separate lots and parcels, at the option of Mortgagee, all in accordance with and in the manner prescribed by law, and out of the proceeds arising from sale and foreclosure to retain the principal and interest due on the Note and the Secured Obligations, and any prepayment charge due under the Note, together with all such sums of money as Mortgagee shall have expended or advanced pursuant to this Mortgage or pursuant to statute together with interest thereon as herein provided and all costs and expenses of such foreclosure, including without limitation lawful maximum reasonable attorneys' fees, the cost of environmental inspection and appraisal costs and expenses, with the balance, if any, to be paid to the persons entitled thereto by law. In any such proceeding the Mortgagee may apply all or any portion of the Secured Obligations to the amount of the purchase price.

11.4.1. INTENTIONALLY OMITTED.

11.4.2. INTENTIONALLY OMITTED.

11.4.3. INTENTIONALLY OMITTED.

12. **APPOINTMENT OF RECEIVER.** If an Event of Default shall have occurred and be continuing, Mortgagee, as a matter of right and without notice to Mortgagor or anyone claiming under Mortgagor, and without regard to the then value of the Mortgaged Property



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or the interest of Mortgagor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Mortgaged Property, and Mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of Mortgagee in case of entry as provided in Paragraph 11.3.2 and shall continue as such and exercise all such powers until the later of (i) the date of confirmation of sale of the Mortgaged Property; (ii) the disbursement of all proceeds of the Mortgaged Property collected by such receiver and the payment of all expenses incurred in connection therewith; or (iii) the termination of such receivership with the consent of Mortgagee or pursuant to an order by a court of competent jurisdiction.

13. **REMEDIES NOT EXCLUSIVE.** Mortgagee shall be entitled to enforce payment and performance of any of the Secured Obligations and to exercise all rights and powers under this Mortgage or under any of the other Loan Documents or other agreement or any laws now or hereafter in force, notwithstanding that some or all of the Indebtedness and Secured Obligations may now or hereafter be otherwise secured, whether by mortgage, Mortgage, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as they or either of them may in their absolute discretion determine. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Loan Documents to Mortgagee, or to which either of them may be otherwise entitled, may be exercised concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee, and either of them may pursue inconsistent remedies.

14. **MISCELLANEOUS.**

14.1. **Governing Law; Severability.** This Mortgage shall be governed by the laws of the State of Illinois. In the event that any provision or clause of any of the Loan Documents conflicts with applicable laws, such conflicts shall not affect other provisions of such Loan Documents which can be given effect without the conflicting provision, and to this end, the provisions of the Loan Documents are declared to be severable.

14.2. **Amendment; No Implied Waiver.** This Mortgage cannot be modified, waived, discharged or terminated orally, but only by a written instrument signed by the party against whom enforcement of the modification, waiver, discharge or termination is asserted. No waiver by Mortgagee of any default or breach by Mortgagor hereunder shall be implied from any omission by Mortgagee to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default identified in the waiver and such waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by Mortgagee to or of any act by Mortgagor requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act.



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14.3. **Notices.** All written notices or demands of any kind that any party hereto may be required or may desire to serve on any other party hereto in connection with this Agreement shall be served (as an alternative to personal service) by registered or certified mail, recognized overnight courier service or facsimile transmission. Any such notice or demand so to be served by registered or certified mail, recognized overnight courier service or facsimile transmission shall be delivered with all applicable delivery charges thereon fully prepaid and addressed as follows:

**MORTGAGOR:** 89<sup>th</sup> AND BENNETT LLC  
16000 Ventura Blvd., Suite 600  
Encino, CA 91436  
Attn: Beth Sabbagh

**MORTGAGEE:** City National Bank  
Attn: Post Closing  
P.O. Box 60938  
Los Angeles, CA 90060

**COPIES TO:** City National Bank  
555 South Flower Street, 18<sup>th</sup> Floor  
Los Angeles, California 90071  
Attention: Office of the General Counsel

Service of any such notice or demand so made by mail, recognized overnight courier or facsimile transmission shall be deemed complete on the date of actual delivery as shown by the addressee's registry or certification receipt or "answer back confirmation," as applicable, or at the expiration of the third business day after the date of dispatch, whichever is earlier in time. Either party hereto may from time to time, by notice in writing served upon the other as aforesaid, designate a different mailing address to which or a different person to whose attention all such notices or demands are thereafter to be addressed.

14.4. **Successors and Assigns.** This Mortgage applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Mortgagee shall mean the owner and holder, including pledgees, of the evidence of the obligation secured hereby, whether or not named as Mortgagee herein. In this Mortgage, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. By accepting payment of any sum secured hereby after its due date, Mortgagee does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

14.5. **INTENTIONALLY OMITTED.**

14.6. **Subrogation.** To the extent that proceeds of the Note are used, directly or indirectly, to pay off, satisfy or discharge, in whole or in part, any outstanding lien, charge or prior encumbrance against the Mortgaged Property or any part thereof, then as additional security hereunder Mortgagee shall be subrogated to any and all rights, superior titles and liens owned or claimed by any owner or holder of such outstanding liens, charges and prior encumbrances, however remote and irrespective of whether said liens, charges or encumbrances have been released of record by the holder thereof upon payment.

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14.7. **No Merger.** If both the lessor's and lessee's estates under any Lease or any portion thereof that constitutes a part of the Mortgaged Property shall at any time become vested in one owner, this Mortgage and the lien created hereby shall not be destroyed or terminated by application of the doctrine of merger, and, in such event, Mortgagee shall continue to have and enjoy all of the rights and privileges of Mortgagee as to the separate estates. In addition, upon the foreclosure of the lien created by this Mortgage on the Mortgaged Property pursuant to the provisions hereof, any leases or subleases then existing and created by Mortgagor shall not be destroyed or terminated by application of the law of merger or as a matter of law as a result of such foreclosure unless Mortgagee or any purchaser at any such foreclosure sale shall so elect. No act by or on behalf of Mortgagee or any such purchaser shall constitute a termination of any lease or sublease unless Mortgagee or such purchaser shall give written notice to such tenant or subtenant.

14.8. **Certain Rights of Mortgagee.** Without affecting the liability of Mortgagor or of any other person who is or shall become bound by the terms of this Mortgage or who is or shall become liable for the performance of any obligation secured hereby, Mortgagee may, in such manner, upon such terms and at such times as it deems best and without notice or demand, release any party now or hereafter liable for the performance of any such obligation, extend the time for such performance, alter any of the terms of any such obligation; or accept additional security therefor, and alter, substitute or release any property securing such performance. No exercise or non-exercise by Mortgagee of any of its rights under this Mortgage, no dealing by Mortgagee with any person, firm or corporation and no change, impairment, loss or suspension of any right or remedy of Mortgagee shall in any way affect any of the obligations of Mortgagor hereunder or any security furnished by Mortgagor, or give Mortgagor any recourse against Mortgagee.

14.9. **Headings.** Headings are for convenience only and are not intended as a limitation on the content of the paragraph following or as an aid to the construction thereof.

14.10. **Counterparts.** This Mortgage may be executed simultaneously in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

14.11. **Mortgage as Financing Statement.** This Mortgage is intended to constitute a security agreement between Mortgagor and Mortgagee and Mortgagor hereby grants to Mortgagee a security interest in each item or component of the Mortgaged Property in which a security interest may be granted under the Uniform Commercial Code. The recording of this Mortgage shall be effective as a financing statement filed as a fixture filing under Section 9502 of the Code with respect to any Property which now is or later may become fixtures attached to the Property or the Improvements, and is to be recorded with the appropriate authority where the Property (including said fixtures) is situated. The mailing address of Mortgagor is set forth above on the first page of this Mortgage and the address of Mortgagee from which information concerning the security interest may be obtained is set forth above on the first page of this Mortgage.

14.12. **Copy of Notice of Default.** The undersigned Mortgagor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.

15. **STATE-SPECIFIC PROVISIONS.** Certain provisions of this Mortgage and certain additional provisions that are required by laws of the State in which the Mortgaged Property is located may be amended, modified, described and/or otherwise set forth in

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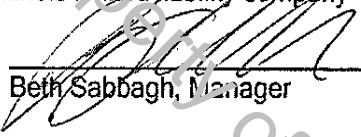
MORTGAGE

Exhibit "B" attached hereto, as described in this paragraph, which such Exhibit "B" by this reference, is incorporated into and made a part of this Mortgage. In the event of any conflict, inconsistency or ambiguity between the terms or conditions of the provisions of such Exhibit "B" and the terms or conditions of the remainder of this Mortgage, the terms and conditions of the provisions of such Exhibit "B" shall govern and control, but only to the extent of any such conflict, inconsistency or ambiguity.

**IN WITNESS WHEREOF**, Mortgagor has caused this Mortgage to be executed as of the day and year first written above.

"MORTGAGOR"

89<sup>th</sup> AND BENNETT LLC,  
an Illinois limited liability company

By:   
Beth Sabbagh, Manager

(ALL SIGNATURES MUST BE ACKNOWLEDGED BY A NOTARY PUBLIC)

Office of Cook County Clerk's Office

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

STATE OF CALIFORNIA )

COUNTY OF Los Angeles )

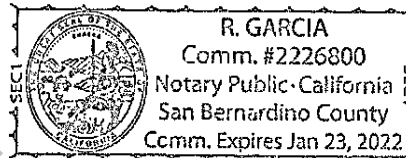
On March 9, 2022, before me, R. Garcia

a notary public, personally appeared Beth Sabbagh, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature R. Garcia (SEAL)



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Exhibit "A"

**LEGAL DESCRIPTION****PARCEL 1:**

UNIT 1610 AND GU-110 IN THE 1400 MUSEUM PARK CONDOMINIUMS, AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED PROPERTY:

LOT 6 IN CHARLES SHERMAN'S SUBDIVISION AND LOTS 1 THROUGH 7 IN CHARLES BUSBY'S SUBDIVISION IN SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN (ALSO KNOWN AS PROPOSED LOT 1 IN THE 1400 MUSEUM PARK RESUBDIVISION), TOGETHER WITH (Air Rights Parcel) THAT PART OF LOT B IN HOUGHTON'S SUBDIVISION LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +73.70 FEET ABOVE CHICAGO CITY DATUM, IN THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 1, 1904 IN BOOK 83 OF PLATS, PAGE 1, AS DOCUMENT NUMBER 3517678, IN COOK COUNTY, ILLINOIS, EXCEPTING THEREFROM THE PARCELS NOTED AS EXCEPTION PARCEL "A" AND EXCEPTION PARCEL "B" DESCRIBED BELOW, IN COOK COUNTY ILLINOIS:

**EXCEPTION PARCEL "A"**

THAT PART OF LOT 6 IN CHARLES SHERMAN'S SUBDIVISION AND LOTS 1 THROUGH 7 IN CHARLES BUSBY'S SUBDIVISION IN SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF 13.78 FEET CHICAGO CITY DATUM AND LYING BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF 35.70 FEET CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 7; THENCE NORTH 89°57'29" EAST ALONG THE SOUTH LINE OF SAID LOT 7, 43.53 FEET; THENCE NORTH 23.69 FEET; THENCE EAST 10.02 FEET; THENCE NORTH 11.97 FEET; THENCE WEST 7.19 FEET, THENCE NORTH 19.60 FEET; THENCE WEST 1.05 FEET; THENCE NORTH 6.54 FEET; THENCE EAST 0.30 FEET; THENCE NORTH 29.59 FEET; THENCE EAST 7.86 FEET; THENCE NORTH 0.35 FEET; THENCE EAST 14.48 FEET; THENCE NORTH 8.87 FEET; THENCE WEST 16.66 FEET; THENCE NORTH 20.55 FEET; THENCE WEST 1.41 FEET; THENCE NORTH 19.29 FEET; THENCE EAST 9.52 FEET; THENCE NORTH 6.25 FEET; THENCE EAST 7.69 FEET; THENCE NORTH 5.22 FEET; THENCE WEST 2.44 FEET; THENCE NORTH 11.68 FEET; THENCE WEST 18.43 FEET; THENCE NORTH TO THE NORTH LINE OF SAID LOT 6, 22.46 FEET; THENCE SOUTH 89°57'29" WEST, 42.48 FEET TO THE NORTHWEST CORNER OF SAID LOT 6; THENCE SOUTH 00°00'41" WEST ALONG THE WEST LINE OF SAID LOTS, 186.07 FEET TO THE POINT OF BEGINNING;

ALSO

THAT PORTION LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF 13.78 FEET CHICAGO CITY DATUM AND LYING BELOW AN INCLINED PLANE PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: THE WEST LINE OF SAID INCLINED PLANE BEGINNING ON THE SOUTH LINE OF SAID LOT 7 WHICH BEARS NORTH 89°57'29" EAST, 43.53 FEET EAST OF THE SOUTHWEST CORNER OF SAID LOT 7; THENCE NORTH 23.69 FEET AT THE ELEVATION OF 35.70 FEET CHICAGO CITY DATUM; THE EAST LINE OF SAID INCLINED PLANE BEGINNING ON THE SOUTH LINE OF SAID LOT 7 WHICH BEARS NORTH 89°57'29" EAST, 53.55 FEET EAST OF THE SOUTHWEST CORNER OF SAID LOT 7; THENCE NORTH 23.69 FEET AT THE ELEVATION OF 36.77 FEET CHICAGO CITY DATUM; ALSO THAT PORTION LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF 13.78 FEET CHICAGO CITY DATUM AND LYING BELOW AN INCLINED PLANE PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: THE WEST LINE OF SAID INCLINED PLANE BEGINNING ON THE NORTH LINE OF LOT 6 IN CHARLES SHERMAN'S SUBDIVISION WHICH BEARS NORTH 89°57'29" EAST, 42.48 FEET EAST OF THE NORTHWEST CORNER OF SAID LOT 6; THENCE SOUTH 22.46 FEET AT THE



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ELEVATION OF 35.70 FEET CHICAGO CITY DATUM; THE EAST LINE OF SAID INCLINED PLANE BEGINNING ON THE NORTH LINE OF LOT 6 WHICH BEARS NORTH 89°57'29" EAST, 60.91 FEET EAST OF THE NORTHWEST CORNER OF SAID LOT 6; THENCE SOUTH 22.46 FEET AT THE ELEVATION OF 32.64 FEET CHICAGO CITY DATUM; ALSO THAT PORTION LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF 13.78 FEET CHICAGO CITY DATUM AND LYING BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF 27.15 FEET CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED

AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 7; THENCE NORTH 89°57'29" EAST ALONG THE SOUTH LINE OF LOT 7, 43.53 FEET; THENCE NORTH 23.69 FEET; THENCE EAST 10.02 FEET; THENCE NORTH 11.97 FEET; THENCE WEST 7.19 FEET; THENCE NORTH 19.60 FEET; THENCE WEST 1.05 FEET; THENCE NORTH 6.54 FEET; THENCE EAST 0.30 FEET; THENCE NORTH 29.59 FEET; THENCE EAST 7.86 FEET; THENCE NORTH 0.35 FEET; THENCE EAST 14.48 FEET TO THE POINT OF BEGINNING; THENCE NORTH 13.87 FEET; THENCE EAST 3.70 FEET; THENCE SOUTH 8.87 FEET; THENCE WEST 3.70 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS. (EXCEPTION PARCEL "A" ALSO KNOWN AS PROPOSED LOT 2 IN THE 1400 MUSEUM PARK RESUBDIVISION.)

**EXCEPTION PARCEL "B"**

THAT PART OF LOT 6 IN SHERMAN'S SUBDIVISION AND LOTS 1 THROUGH 7 IN CHARLES BUSBY'S SUBDIVISION IN SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF 13.94 FEET CHICAGO CITY DATUM AND LYING BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF 27.45 FEET CHICAGO CITY DATUM AND LYING WITHIN ITS HORIZONTAL BOUNDARY PROJECTED VERTICALLY AND DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 7; THENCE NORTH 00°00'58" EAST ALONG THE EAST LINE OF SAID LOTS, 52.80 FEET TO THE POINT OF BEGINNING; THENCE WEST 24.92 FEET; THENCE NORTHWESTERLY ALONG A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 21.73 FEET, AN ARC LENGTH OF 5.62 FEET, A CHORD DISTANCE OF 5.61 FEET, AND CHORD BEARING NORTH 07°24'38" WEST TO A POINT OF TANGENCY; THENCE NORTH 48.18 FEET; THENCE EAST TO THE EAST LINE OF SAID LOTS, 25.66 FEET; THENCE SOUTH 53.74 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS (EXCEPTION PARCEL "B" ALSO KNOWN AS PROPOSED LOT 3 IN THE 1400 MUSEUM PARK RESUBDIVISION); WHICH SURVEY IS ATTACHED TO THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT 0812216018, TOGETHER WITH AN UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS.

**PARCEL 2:**

THE EXCLUSIVE RIGHT TO USE STORAGE SPACE S-100, A LIMITED COMMON ELEMENT AS DELINEATED ON THE SURVEY ATTACHED TO THE DECLARATION AFORESAID RECORDED AS DOCUMENT 0812216018.

Permanent Index Numbers: 17-22-105-050-1100; 17-22-105-050-1367

Property Address: 100 E. 14<sup>th</sup> St., Unit 1610, Chicago, Illinois 60605

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Exhibit "B"

## STATE-SPECIFIC PROVISIONS

Special Provisions Modifying or Affecting This Mortgage by Reason of the State in Which the Mortgaged Property is Located. By virtue of the fact that the Mortgaged Property is located in the State of Illinois, the provisions set forth below shall be applicable to this Mortgage, and to the extent applicable, shall modify, affect and supplement the other provisions hereof.

(a) Benefits of Act. Mortgagor and Mortgagee shall have the benefit of all of the provisions of the Illinois Mortgage Foreclosure Law (735 ILCS 5/15-1101) (the "Act"), including all amendments thereto which may become effective from time to time after the date hereof. If any provision of the Act which is specifically referred to herein is repealed, Mortgagee shall have the benefit of such provision as most recently existing prior to such repeal, as though the same were incorporated herein by express reference. In the event that any provision in this Mortgage shall be inconsistent with any provision of the Act, the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act. If any provision of this Mortgage shall grant to Mortgagee any rights or remedies upon default of Mortgagor which are more limited than the rights that would otherwise be vested in Mortgagee under the Act in the absence of said provision, Mortgagee shall be vested with the rights granted in the Act to the full extent permitted by law. Without limiting the generality of the foregoing, all expenses incurred by Mortgagee to the extent reimbursable under Sections 15-1510 and 15-1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether enumerated in this Mortgage, shall be added to the indebtedness secured by this Mortgage or by the judgment of foreclosure.

(b) Protective Advances. All advances, disbursements and expenditures made by Mortgagee 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 Mortgagee in accordance with the terms of the Mortgage to: (1) preserve or maintain, repair, restore or rebuild the improvements upon the Mortgaged Property; (2) preserve the lien of the Mortgage or the priority thereof; or (3) enforce the Mortgage, as referred to in Subsection (b)(5) of Section 5/15-1502 of the Act;

(ii) payments by Mortgagee of: (1) when due installments of principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrance; (2) when due installments of real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Mortgaged Property or any part thereof; (3) other obligations authorized by the Mortgage; or (4) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 5/15-1505 of the Act;

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

(iv) attorneys' fees and other costs incurred: (1) in connection with the foreclosure of the Mortgage as referred to in Sections 1504(d)(2) and 5/15-1510 of the Act; (2) in connection with any action, suit or proceeding brought by or against the Mortgagee

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for the enforcement of the Mortgage or arising from the interest of the Mortgagee hereunder; or (3) in the preparation for the commencement or defense of any such foreclosure or other action related to the Mortgage or the Mortgaged Property;

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

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

(vii) expenses incurred and expenditures made by Mortgagee for anyone or more of the following: (1) if the Mortgaged Property or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof which are required to be paid; (2) if Mortgagor's interest in the Mortgaged Property is a leasehold estate under a lease or sublease, rentals or other payments required to be made by the lessee under the terms of the lease or sublease; (3) premiums for casualty and liability insurance paid by Mortgagee whether or not Mortgagee or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or Mortgagee takes possession of the Mortgaged Property imposed by Subsection (c)(1) of Section 5/15-1704 of the Act; (4) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (5) payments required or deemed by Mortgagee to be for the benefit of the Mortgaged Property or required to be made by the owner of the Mortgaged Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Mortgaged Property; (6) shared or common expense assessments payable to any association or corporation in which the owner of the Mortgaged Property is a member in any way affecting the Mortgaged Property; (7) if the loan secured hereby is a construction loan, costs incurred by Mortgagee for demolition, preparation for and completion of construction, as may be authorized by the applicable commitment, loan agreement or other agreement; and (8) pursuant to any lease or other agreement for occupancy of the Mortgaged Property for amounts required to be paid by mortgagor.

All Protective Advances shall be so much additional indebtedness secured by the 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 due and payable after a default under the terms of the Note.

The Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time the Mortgage is recorded pursuant to Subsection (b)(1) 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) determination of the amount of indebtedness secured by the Mortgage at any time;

(ii) the indebtedness found due and owing to the Mortgagee in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or

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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) determination of amount deductible from sale proceeds pursuant to Section 5/15-1512 of the Act;

(iv) application of income in the hands of any receiver or Mortgagee in possession; and

(v) computation of any deficiency judgment pursuant to Subsections (b)(2) and (e) of Sections 5/15-1508 of the Act.

(c) Mortgagee in Possession. In addition to any provision of this Mortgage authorizing the Mortgagee to take or be placed in possession of the Mortgaged Property, or for the appointment of a receiver, Mortgagee shall have the right, in accordance with Sections 5/15-1701 and 5/15-1702 of the Act, to be placed in possession of the Mortgaged Property or at its request to have a receiver appointed, and such receiver, or Mortgagee, if and when placed in possession, shall have, in addition to any other powers provided in the Mortgage, all powers, immunities, and duties as provided for in Sections 5/15-1701 and 5/15-1703 of the Act.

(d) Acknowledgment of Waiver of Hearing Before Sale. Mortgagor understands and agrees that if an Event of Default shall occur, Mortgagee has the right, inter alia, to foreclose this Mortgage pursuant to applicable Illinois law; that if the Mortgagee elects to foreclose by advertisement, it may cause the Mortgaged Property, or any part thereof, to be sold at public auction pursuant to applicable Illinois law. Mortgagor further understands that upon the occurrence of an Event of Default, the Mortgagee may also elect its rights under the Uniform Commercial Code and take possession of the Collateral and dispose of the same by sale or otherwise in one or more parcels provided that at least ten (10) days' prior notice of such disposition must be given, all as provided for by the Uniform Commercial Code, as hereafter amended or by any similar or replacement statute hereafter enacted. Mortgagor further understands that under the Constitution of the United States and the Constitution of the State of Illinois it may have the right to notice and hearing before the Mortgaged Property may be sold and that the procedure for foreclosure by advertisement described above does not insure that notice will be given to Mortgagor and neither said procedure for foreclosure by advertisement nor the Uniform Commercial Code requires any hearing or other judicial proceeding. MORTGAGOR HEREBY EXPRESSLY CONSENTS AND AGREES THAT THE MORTGAGED PROPERTY MAY BE FORECLOSED BY ADVERTISEMENT AND THAT THE PERSONAL PROPERTY MAY BE DISPOSED OF PURSUANT TO THE UNIFORM COMMERCIAL CODE, ALL AS DESCRIBED ABOVE. MORTGAGOR ACKNOWLEDGES THAT IT IS REPRESENTED BY LEGAL COUNSEL; THAT BEFORE SIGNING THIS DOCUMENT THIS SECTION AND THE MORTGAGOR'S CONSTITUTIONAL RIGHTS WERE FULLY EXPLAINED BY SUCH COUNSEL AND THAT MORTGAGOR UNDERSTANDS THE NATURE AND EXTENT OF THE RIGHTS WAIVED HEREBY AND THE EFFECT OF SUCH WAIVER.

(e) Right to Discontinue Proceedings. In the event Mortgagee shall have proceeded to invoke any right, remedy or recourse permitted under this Mortgage and shall thereafter elect to discontinue or abandon the same for any reason, Mortgagee shall have the unqualified right to do so and in such event Mortgagor and Mortgagee shall be restored to their former positions with respect to the Secured Obligations. This Mortgage, the Mortgaged Property and all rights, remedies and recourse of the Mortgagee shall continue as if the same had not been invoked.



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MORTGAGE

(f) Waiver of Redemption and Reinstatement. Mortgagor hereby specifically waives all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on its own behalf and on behalf of each "Owner of redemption" as defined in Section 5/15-1212 of the Illinois Code of Civil Procedure (735 ILCS 5/15-1212), and all other persons, to the full extent permitted by Section 5/15-1601(b) of the Act and any successor provisions. Mortgagor hereby waives any right to reinstate the Loan as provided in Section 5/15-1602 of the Act.

(g) Business Loan Recital: Statutory Exemptions.

(x) Mortgagor acknowledges and agrees that (i) the proceeds of the loans will be used in conformance with subsection (1)(L) of Section 4 of the Interest Act (815 ILCS 205/0.01 et seq.); (ii) that the indebtedness secured hereby constitutes a business loan which comes within the purview of subparagraph (1)(C) of said Section 4; and (iii) that the loans are exempt transactions under the Truth-in-Lending Act, 15 U.S.C. Sec. 1601 et seq.

(y) Mortgagor acknowledges and agrees that the transaction of which this Mortgage is a part is a transaction which does not include either agricultural real estate (as defined in Section 15-1201 of the Act) or residential real estate (as defined in Section 15-1219 of the Act).

(h) Mortgagee's Lien for Service Charge and Expenses: Maximum Indebtedness Secured. At all times, regardless of whether any loan proceeds have been disbursed, this Mortgage secures (in addition to the indebtedness disbursed from time to time) the payment of any Protective Advances and all other expenses and advances due to or incurred by Mortgagee in connection with the Indebtedness and which are to be reimbursed by Mortgagor under the terms of this Mortgage, or the other Loan Documents; provided, however, that in no event shall the total amount of the Indebtedness plus such additional amounts exceed 200% of the original principal amount of the Note.

(i) Future Advances, Construction Advances and Revolving Credit Advances. This Mortgage also secures all future advances, construction advances, revolving credit advances and letters of credit made within twenty (20) years from the date hereof made or to be made under the notes, which future advances, construction advances, revolving credit advances and letters of credit shall have the same priority as if all such future advances, construction advances, revolving credit advances and letters of credit were made or issued on the date of execution hereof. Nothing in this section or in any other provision of this Mortgage shall be deemed either (i) an obligation on the part of Mortgagee to make any future advances, revolving credit advances or to issue any letters of credit other than in accordance with the terms and provisions of the Loan Documents or (ii) an agreement on the part of Mortgagee or any lender to increase the amount of the Loan or the aggregate principal amount of the note, taken together, to any amount in excess of that set forth in the Loan Documents

(g) Business Loan/Property Not Owner-Occupied. Mortgagor represents and warrants to Mortgagee that the Loan evidenced by the Note is a business loan transacted solely for the purpose of carrying on the business of Mortgagor, and that the Property is not, and will not be, owner-occupied.