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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Report Mortgage Fraud 844-768-1713



Doc# 2031240017 Fee \$88.00
RHSP FEE:\$9.00 RPRF FEE: \$1.00
EDWARD M. MOODY
COOK COUNTY RECORDER OF DEEDS
DATE: 11/09/2020 10:43 AM PG: 1 OF 27

The property identified as: PIN: 17-07-125-058-0000

Address:
Street: 401 North Western Avenue
Street line 2:
City: Chicago State: IL ZIP Code: 60612

Lender: CIBC BANK USA

Borrower: WEST-HUB LIMITED LIABILITY COMPANY

Loan / Mortgage Amount: \$15,000,000.00

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

Certificate number: BDCD30CB-AF4B-4685-B289-F124B893126B

Execution date: 10/30/2020

SPS M SC E INT

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This instrument prepared by and after
recording should be returned to:

Thompson Coburn LLP
55 East Monroe Street
37th Floor
Chicago, Illinois 60603
Attention: Victor A. Des Laurier, Esq.

PINS: 17-07-125-058-0000
17-07-125-059-0000
17-07-132-001-0000

COMMON ADDRESS: 401 North Western Avenue,
Chicago, Illinois 60612

MORTGAGE AND SECURITY AGREEMENT (ILLINOIS)

This Mortgage and Security Agreement (Illinois) (this "Mortgage") is executed and delivered as of October 30, 2020, by WEST-HUB LIMITED LIABILITY COMPANY, an Illinois limited liability company ("Mortgagor"), for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by Mortgagor, to and for the benefit of CIBC BANK USA ("Lender").

WITNESSETH:

WHEREAS, contemporaneously herewith, Lender is providing certain loans, extensions of credit and other financial accommodations (the "Financial Accommodations") to Mortgagor, CROWN PACKAGING INTERNATIONAL, INC., a Delaware corporation ("Crown Packaging"), WEST-HUB BUILDING CORP., an Illinois corporation ("WHBC"), BIG SKY PARK L.L.C., an Illinois limited liability company ("Big Sky Park"), and POLYCON INDUSTRIES, INC., an Illinois corporation ("Polycon"; and together with Mortgagor, Crown Packaging, WHBC, Big Sky Park and any other party joined pursuant to the terms of the hereinafter defined Loan Agreement, each individually a "Borrower" and collectively the "Borrowers"), pursuant to, among other things, that certain Loan and Security Agreement of even date herewith by and among Borrowers and Lender (as amended, extended, renewed, restated or replaced from time to time, collectively the "Loan Agreement"), and the other documents, agreements and instruments referenced in the foregoing or executed and delivered pursuant thereto. The Financial Accommodations are evidenced and/or secured by, among other things, (i) that certain Revolving Note of even date herewith executed and delivered by Borrowers to Lender in a maximum aggregate principal amount not to exceed Fifteen Million and no/100 Dollars (\$15,000,000.00) (as amended or restated from time to time, the "Revolving Note"), (ii) that certain Term Loan A Note of even date herewith executed and delivered by Borrowers to Lender in the original principal amount of Eight Million Five Hundred Thousand and no/100 Dollars (\$8,500,000.00) (as

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amended or restated from time to time, the "Term Note A"), (iii) that certain Term Loan B Note of even date herewith executed and delivered by Borrowers to Lender in the original principal amount of Four Million and no/100 Dollars (\$4,000,000.00) (as amended or restated from time to time, the "Term Note B") (Term Note B, together with the Revolving Note, Term Note A and any other note execute and delivered by Borrowers or any Borrower to Lender pursuant to the Loan Agreement are collectively, the "Notes"), (iv) that certain Assignment of Rents and Lessor's Interest in Leases (Illinois) of even date herewith executed and delivered by Mortgagor to Lender (as amended, extended, renewed or restated from time to time, the "Assignment of Rents"), (v) that certain Environmental Indemnity Agreement of even date herewith executed and delivered by Borrowers to Lender (as amended, extended, renewed or restated from time to time, the "Environmental Indemnity Agreement"), and (vi) the other Loan Documents. Capitalized terms used but not otherwise defined in this Mortgage are used in this Mortgage as defined in the Loan Agreement;

WHEREAS, all or a portion of the Financial Accommodations may bear interest at a variable rate from time to time; and

WHEREAS, Lender is willing to provide the Financial Accommodations to Borrowers, provided, among other things, Mortgagor executes and delivers this Mortgage to Lender.

NOW THEREFORE, in consideration of the foregoing, the mutual promises and understandings of the parties hereto set forth herein, and other good and valuable consideration, the receipt and sufficiency of such consideration are hereby acknowledged, Mortgagor hereby covenants and warrants unto and agrees with Lender as follows:

1. DEFINITIONS AND TERMS/RECITALS

1.1 The recitals and clauses set forth above in the Section above entitled "WITNESSETH" are hereby incorporated herein.

1.2 The following words, terms or phrases shall have the meanings set forth below:

"Charges": shall mean all national, federal, state, county, city, municipal or other governmental (including, without limitation, any instrumentality, division, agency, body or department thereof) taxes, levies, assessments, charges, water charges, sewer service charges, liens, claims or encumbrances upon or relating to the Mortgaged Property, the Obligations or the Covenants.

"Covenants": shall mean all now existing or hereafter arising covenants, duties, obligations and agreements of Borrowers or any Borrower to and with Lender, whether pursuant to this Mortgage, the other Loan Documents or otherwise.

"Default Rate": shall mean the default interest rate set forth in Section 4.1(c) of the Loan Agreement.

"Documents": shall mean any mortgage, deed of trust or similar instrument, assignment of leases, assignment of rents, promissory note, security agreement, guaranty, financing statement, assignment of insurance, loss payable clause, mortgage title insurance policy, letter of opinion, waiver

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letter, estoppel letter, consent letter, non-offset letter, insurance certificate, appraisal, survey and any other similar such agreements, instruments or documents.

“Encumbrances”: shall mean all liens, security interests, liabilities, claims, debts, exceptions, easements, restrictions, Charges and any other types of encumbrances.

“Equipment”: shall mean all now existing or owned and hereafter arising or acquired apparatus, machinery, equipment, furniture, fixtures and other articles of personal property of any and every kind and nature whatsoever, required for use in, on, or in connection with the Premises or the management, maintenance, operation or business thereof and all replacements thereof, substitutions therefor and accessions thereto, including, without limitation, any such item now or at any time or times hereafter situated on the Premises and used to supply or otherwise deliver heat, gas, air conditioning, water, light, electricity, power, plumbing, refrigeration, sprinkling, ventilation, mobility, communication, incineration, and all other related or other such services.

“Event of Default”: shall have the meaning ascribed to such term in Section 6.1 of this Mortgage.

“Leases”: shall mean all present and future leases, agreements, tenancies, licenses and franchises of or relating to the Premises, the Mortgaged Property or the Equipment, or in any way, manner or respect required, existing, used or useable in connection with the Premises, the Mortgaged Property or the Equipment, or the management, maintenance, operation or business thereof, and all deposits of money as advance rent or for security under any or all of the Leases and all guaranties of any lessee’s performances thereunder.

“Lender’s Lien”: shall have the meaning ascribed to such term in Section 2.3 of this Mortgage.

“Mortgaged Property”: shall mean (1) the Premises; (2) the Rents; (3) the Leases; (4) the Equipment; (5) all present and future judgments, awards of damages and settlements made as a result or in lieu of any taking of the Premises, the Equipment or the Leases, or any part thereof, whether under the power of eminent domain or otherwise, or for any damage, whether caused by such taking or otherwise thereto; (6) all present and future insurance policies in force or effect insuring the Premises, the Rents, the Leases or the Equipment; and (7) all proceeds of each and every of the foregoing.

“Obligations”: shall mean any and all Obligations, Bank Product Obligations, demands, monies, covenants or indebtedness of any and every kind or nature heretofore, now or hereafter owing, arising, due or payable from Mortgagor, the Borrowers and/or any one or more of them to Lender, however evidenced, created, incurred, acquired or owing, whether primary, secondary, direct, indirect, absolute, contingent, fixed, determinable, undeterminable, insured and uninsured, in each case pursuant to the terms and provisions of the Loan Agreement, this Mortgage, the Notes, the Environmental Indemnity Agreement, any of the other Loan Documents, the Hedging Agreements or any of the other Bank Product Agreements, including, without limitation, the Revolving Loans and the Term Loans, or otherwise, including, without limitation, all advances made to protect and preserve the value of the Mortgaged Property and the priority of Lender’s Lien thereon.

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“**Obligor**”: shall mean Borrowers and each other Person who is or shall become primarily or secondarily liable for any of the Obligations or who provides any collateral as security for all or any portion of the Obligations.

“**Permitted Encumbrances**”: shall have the meaning ascribed to such term in Section 3.2(A) of this Mortgage.

“**Person**”: shall mean any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, limited liability company, institution, entity, party or government, whether national, federal, state, county, city, municipal or otherwise, including, without limitation, any instrumentality, division, agency, body or department thereof.

“**Premises**”: shall mean, collectively, all of the real property, and all of Mortgagor’s estate, right, title and interest therein, situated, lying and being in the City of Chicago, Cook County, State of Illinois, legally described on Exhibit “A” and commonly known as 401 North Western Avenue, Chicago, Illinois 60612, together with all buildings, improvements, tenements, easements, hereditaments and appurtenances now or at any time or times hereafter upon, belonging or otherwise appertaining to or situated on said real estate and all heretofore or hereafter acquired roads, alleys, streets and other public ways abutting said real estate.

“**Rents**”: shall mean all present and future rents, issues, deposits, income, profits and proceeds of, from or relating to the Premises, the Leases or the Equipment.

“**Threshold**”: shall have the meaning ascribed to such term in Section 4.1(B) of this Mortgage.

“**Unmatured Event of Default**” means the occurrence of any event which, if uncured, will become an Event of Default after notice or lapse of time (or both).

2. LOANS, CONVEYANCE AND INTEREST RATES

2.1 TO SECURE THE FULL AND TIMELY PAYMENT AND PERFORMANCE BY THE OBLIGORS OF THE OBLIGATIONS AND COVENANTS, MORTGAGOR DOES HEREBY DOES WARRANT, GRANT, GIVE, BARGAIN, CONFIRM, ASSIGN, PLEDGE, SET OVER, TRANSFER, SELL, CONVEY, REMISE, RELEASE AND OTHERWISE MORTGAGE TO LENDER, ITS SUCCESSORS AND ASSIGNS, ALL OF MORTGAGOR’S ESTATE, RIGHT, TITLE AND INTEREST IN AND TO THE MORTGAGED PROPERTY, WHETHER REAL, PERSONAL OR MIXED. This Mortgage is given to secure not only present Obligations but also future advances, modifications, extensions, and renewals of any of the Obligations, whether such advances, modifications, extensions, and renewals are obligatory or are to be made at the option of Lender or otherwise. Notwithstanding anything contained herein to the contrary, the Obligations secured hereunder shall in no event exceed Fifty-Five Million and no/100 Dollars (\$55,000,000.00).

2.2 This Mortgage shall operate as and constitute a Security Agreement with respect to that portion of the Mortgaged Property constituting property or interests in property, whether real or personal, tangible or intangible, which are subject to the Uniform Commercial Code with respect to the priority and perfection of security interests or any similar law, statute, code or other governing body of

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law. Therefore, to secure the full and timely payment and performance by Obligor of the Obligations and the Covenants, including, without limitation, the Obligations evidenced by this Mortgage and the other Loan Documents, Mortgagor hereby grants to Lender, and its successors and assigns, a security interest and lien in and to the Mortgaged Property. Mortgagor shall make appropriate entries upon its financial statements and its books and records disclosing Lender's first position priority security interest and lien in and to the foregoing collateral.

2.3 Upon request by Lender, at Borrowers' sole cost and expense, Mortgagor will promptly make, execute and deliver or will cause to be made, executed and delivered to Lender, in form and substance acceptable to Lender, all Documents necessary or appropriate to evidence, document or conclude the transactions described in or contemplated by this Mortgage and the other Loan Documents, or required to perfect or continue perfected the first position priority mortgage, lien and security interest granted herein or in the other Loan Documents by Borrowers to Lender upon the Mortgaged Property (collectively, the "Lender's Lien"), subject only to Permitted Encumbrances.

2.4 Interest on the Obligations shall be computed for the actual number of days elapsed on the basis of a three hundred sixty (360) day year.

2.5 Notwithstanding the foregoing, the Mortgaged Property shall not be deemed to secure any Hedging Obligations of any Borrower owing to Lender if Mortgagor is not an "Eligible Contract Participant" as defined in §1(a)(18) of the Commodity Exchange Act and the applicable rules issued by the Commodity Futures Trading Commission and/or the Securities and Exchange Commission (collectively, and as now or hereafter in effect, "the ECP Rules") to the extent that the providing of such security in the Mortgaged Property would violate the ECP Rules or any other applicable law or regulation.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS

3.1 Mortgagor represents, warrants and covenants unto Lender as follows:

(A) The Obligor will fully and timely pay, or cause to be paid, when due or declared due (in accordance with the Loan Documents), the Obligations, and will fully and timely perform, discharge, observe and comply with, or cause to be fully and timely performed, discharged, observed and complied with, each and every of the Covenants.

(B) Mortgagor now has and hereafter shall maintain its standing, right, power and lawful authority to own the Mortgaged Property, to carry on the business of and operate the Mortgaged Property, to enter into, execute and deliver this Mortgage and the other Loan Documents, and to encumber the Mortgaged Property to Lender.

(C) Mortgagor now and at all times hereafter shall perform or cause the other Obligor to perform all of the transactions described in or contemplated by this Mortgage and the other Loan Documents.

(D) The execution, delivery and performance by Mortgagor of and under this Mortgage and the other Loan Documents (i) does not and will not constitute a violation of any

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applicable law, and (ii) does not and will not conflict with or result in a default or breach of or under any obligation arising, existing or created by or under any agreement, instrument, document, mortgage, deed, trust deed, note, judgment, order, award, decree or other restriction to which any Borrower now is or hereafter shall become a party or by which any of them or any of the Mortgaged Property is or hereafter shall become bound.

(E) Mortgagor has duly filed and shall continue to timely file all federal, state and other governmental tax and similar returns which Mortgagor is required by law to file with respect to the Mortgaged Property and the operation and business thereof. All taxes and other sums which are shown to be payable under such returns have been and shall be fully and timely paid.

(F) All of the Leases are, and Mortgagor shall use commercially reasonable efforts to cause the Leases to remain free of set-offs, counterclaims or disputes, and the Leases are valid and enforceable in accordance with their terms. Mortgagor and, to the knowledge of Mortgagor, all other parties to the Leases have and shall have the capacity to contract thereunder. Except for security deposits provided for under the Leases as indicated by Mortgagor to Lender in writing, no advance payments have been or shall be made thereunder.

(G) Except for the building code proceeding disclosed to Lender, there is no litigation, action, claim or proceeding pending or, to the knowledge of Mortgagor, threatened which might, in any way, manner or respect, affect the Mortgaged Property, the operation or the business thereof, Lender's Lien, the collectability or the ability of the Obligor collectively to repay or cause to be repaid the Obligations or the financial condition of Borrowers or the operations or businesses thereof.

(H) Mortgagor possesses and holds and shall maintain adequate properties, interests in properties, leases, licenses, franchises, rights and other permits, certificates, consents and approvals necessary to conduct and operate the business of the Mortgaged Property.

(I) The location, existence and use of the Premises and the Equipment are and shall remain in material compliance with all applicable laws, rules, ordinances and regulations, including, without limitation, building and zoning laws, and all covenants and restrictions of record.

(J) Mortgagor is and shall remain in peaceful possession of and will forever warrant and defend the Mortgaged Property from and against any and all claims and Encumbrances thereon or thereto, except for Permitted Encumbrances.

(K) The Mortgaged Property is not being used, and shall not be used, for any purpose in violation of any applicable environmental, hazardous waste and substances, health or safety laws, rules or regulations, including, but not limited to, the Resource Conservation and Recovery Act, as amended ("RCRA"), the Toxic Substances Control Act, as amended ("TSCA"), the Comprehensive Environmental Response, Compensation and Liability Act, as amended ("CERCLA"), the Clean Air Act, as amended ("CAA"), and the Clean Water Act, as amended ("CWA"), regulations thereunder and corresponding state statutes and regulations. Each Borrower has all required permits, certificates, consents and approvals required under any applicable environmental, health or safety laws, rules or regulations. Each Borrower is and shall remain in compliance with all applicable environmental, health and safety laws, rules or regulations in connection with the use of the Mortgaged Property.

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(L) All hazardous waste accumulations at the Mortgaged Property shall be in tanks or containers, as defined in 40 C.F.R. 260.10, and shall be in compliance with applicable United States Environmental Protection Agency and State of Illinois small quantity generator limitations under RCRA, regulations thereunder and corresponding Illinois statutes and regulations.

(M) There are no underground or above ground storage tanks on the Premises.

(N) No burial, disposal or landfilling of hazardous waste or hazardous substances, regulated substances or other pollutants (as such are defined in RCRA, TSCA, CERCLA, CAA or CWA) will be carried on at the Mortgaged Property. No surface impoundment, lagoon, or other earthen device for the purposes of treatment, storage or disposal of hazardous wastes and hazardous substances shall be used on the Premises by any Person.

(O) Neither Mortgagor nor any tenant of the Premises shall use, release or cause to be used or released asbestos as defined by 29 C.F.R. 1910.1001(a). Any repairs, maintenance or modifications to the Mortgaged Property which may result in release of asbestos shall be performed by or under the supervision of personnel appropriately accredited by the State of Illinois or the United States Environmental Protection Agency.

(P) Mortgagor shall promptly provide Lender a copy of any administrative, civil or criminal complaint received by any Borrower alleging (i) violations of environmental, health and safety statutes, ordinances or regulations related to the Mortgaged Property, or (ii) bodily injury or property damage arising from Borrowers' operations or Mortgagor's ownership of the Mortgaged Property.

(Q) There are no unpaid assessments in connection with the Mortgaged Property nor any assessment liens arising from the non-payment of any such assessments.

3.2 Mortgagor further represents, warrants and covenants unto Lender as follows:

(A) Mortgagor is, in Mortgagor's own right, and covenants to remain, well and lawfully seized, possessed and the owner of and has good and indefeasible, marketable fee-simple title to and is the sole owner of the Mortgaged Property, free and clear of all Encumbrances, except for (i) Lender's Lien, and (ii) those Encumbrances described on Exhibit "B" to this Mortgage (collectively, the "Permitted Encumbrances").

(B) Mortgagor will (i) not materially change or permit any other Person to materially change the use or character of or abandon the Mortgaged Property, except as approved by Lender in writing, (ii) keep and cause the other Borrowers to keep the Mortgaged Property in the condition and repair it is in on the date hereof, subject to ordinary wear and tear and damage from an insured casualty, and (iii) not commit or suffer waste and will make all necessary repairs, replacements and renewals, including, but not limited to, the replacement of any items of the Equipment to the Mortgaged Property so that the value and operating efficiency thereof shall at all times hereafter be maintained and preserved. No Borrower shall remove any trade fixture or demolish any building or improvement located in or on the Premises without Lender's prior written consent. Borrowers shall (aa) pay for and promptly complete any building or improvement at any time in the process of erection upon the

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Premises, (bb) refrain from impairing or diminishing the value of the Mortgaged Property, and (cc) make no material alterations to the Mortgaged Property without Lender's prior written consent. Subject to the provisions of Sections 4.3 and 4.5(A) of this Mortgage, if Lender elects to make all or a portion of any insurance, eminent domain or condemnation proceeds available to Mortgagor, Mortgagor shall promptly repair, restore or rebuild any building or improvement now or hereafter on the Premises which may become damaged or destroyed. Borrowers shall comply with all laws and municipal ordinances governing the Mortgaged Property and the use thereof. At all times during the term of this Mortgage and the other Loan Documents, Borrowers shall permit Lender, and its agents, access to inspect the Mortgaged Property upon reasonable prior written notice to Mortgagor, provided such inspections do not interfere with any tenant's occupancy and rights under a Lease.

(C) Mortgagor shall fully and timely pay and discharge, or cause to be paid and discharged, as and when due and payable, all Charges that may be at any time levied, assessed or imposed upon or against the Mortgaged Property, or any part thereof. Mortgagor shall, promptly upon Lender's request, deliver to Lender receipts evidencing payment thereof or partial payment thereof, if payable in installments, at least ten (10) days before delinquency; provided, however, that Mortgagor shall have the right to contest in good faith, by an appropriate proceeding properly initiated and diligently conducted, the validity, amount or imposition of any Charges, and upon such good faith contest, to delay or refuse payment thereof, if (i) Mortgagor establishes with Lender, adequate reserves to cover such contested Charges, and (ii) either such contest will not affect the priority or value of Lender's Lien on the Mortgaged Property or Mortgagor otherwise takes steps acceptable to Lender in its sole discretion to protect the priority and value of Lender's Lien on the Mortgaged Property. If at any time the United States of America shall require internal revenue stamps to be affixed to this Mortgage, Mortgagor will pay or cause to be paid for the same, together with any interest or penalties imposed in connection therewith.

(D) Except for Lender's Lien and the Permitted Encumbrances, Mortgagor shall keep the Mortgaged Property free and clear of all Encumbrances of any and every kind and nature including, without limitation, mechanics' liens and other similar liens or claims for liens. Mortgagor shall promptly pay or cause to be paid, as and when due and payable or when declared due and payable, any indebtedness which may become, or be secured by, an Encumbrance and, promptly upon request by Lender, shall deliver to Lender evidence satisfactory to Lender of the payment and discharge thereof. If, in accordance with the terms of this Mortgage, Lender makes payment of any such Encumbrance, Lender shall be subrogated to the rights of such claimant, notwithstanding that the Encumbrance may be released of record.

(E) Except for Lender's Lien and the Permitted Encumbrances, Mortgagor shall not, at any time or times hereafter, pledge, hypothecate, encumber, mortgage, sell, permit or otherwise transfer all or any portion of the Mortgaged Property or Mortgagor's interest therein.

(F) All present and future items of fixtures, equipment, furnishings or other tangible personal property, whether or not constituting a part of the Mortgaged Property, related, necessary to or used or useable in connection with any present or future building or improvement on the Premises, or the operation or business thereof, are and will be owned free and clear of all Encumbrances, except for Lender's Lien and the Permitted Encumbrances, and Mortgagor will not acquire any such property subject to any Encumbrance, except for Lender's Lien and the Permitted Encumbrances.

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3.3 If Mortgagor fails to (A) keep the Mortgaged Property in the operating condition and repair or to replace or maintain the same as herein agreed, (B) pay the premiums for the insurance which is required to be maintained hereunder, or (C) pay and discharge all Encumbrances as herein agreed, or during the continuance of an Event of Default, Lender, in its sole discretion, may cause such repairs or replacements to be made, obtain such insurance or pay and discharge such Encumbrances. Any amounts paid by Lender in taking such action together with interest thereon at the Default Rate shall be due and payable by Borrowers to Lender upon demand, and, until paid, shall constitute a part of the Obligations secured by this Mortgage and the other Loan Documents. Notwithstanding the foregoing, such advances by Lender shall not be deemed to relieve any Borrower from any Event of Default hereunder or impair any of Lender's rights or remedies. The exercise of the right to take such action shall be optional with Lender and not obligatory upon Lender, and in no event whatsoever, shall Lender be liable to Borrowers for failure or refusal to exercise any such right. In making any payments pursuant to the exercise of any such right, Lender may rely upon any bills delivered to it by Borrowers or any such payee and shall not be liable for any failure to make payments in any amounts other than as set forth in any such bills.

3.4 Mortgagor hereby represents and warrants that all of the Leases set forth on Exhibit "C" attached hereto have been fully executed by the parties thereto and are fully enforceable in accordance with the terms thereof.

3.5 Mortgagor covenants unto Lender that it will deliver to Lender such information, financial or otherwise, as Lender reasonably requests from time to time, which information shall be in form and substance acceptable to Lender.

4. TAXES, INSURANCE AND CONDEMNATION

4.1 Mortgagor represents, warrants and covenants unto Lender as follows:

(A) Mortgagor, at all times, shall keep and maintain, or cause to be kept and maintained, the Mortgaged Property fully insured, without co-insurance, against loss or damage by, or abatement of rental income resulting from, fire and such other hazards, casualties and contingencies as Lender from time to time may reasonably require with insurance companies, and in form, amounts and for such periods as are satisfactory to Lender, but, in any event, for not less than the full replacement cost of the Mortgaged Property. All such policies and renewals thereof shall contain, in form and substance acceptable to Lender, standard mortgagee loss payable clauses naming Lender as a lenders loss payable and additional insured, together with a standard waiver of subrogation endorsement and shall be delivered to Lender, with premiums therefor paid in full by Mortgagor. All policies shall provide that the insurer may not cancel same without thirty (30) days prior written notice to Lender, unless such cancellation is for non-payment of premiums, in which case, the insurer shall give Lender ten (10) days prior written notice. Mortgagor will provide prompt written notice to Lender of any loss or damage to the Mortgaged Property caused by any casualty. In case of insurance policies about to expire, Mortgagor will, upon Lender's request, deliver to and deposit with Lender renewal policies not less than thirty (30) days prior to the respective dates of expiration and receipts for the payment of the premiums on all policies and renewals thereof. In the event of a deed in lieu of foreclosure

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or other foreclosure of title to the Mortgaged Property, all right, title and interest of Mortgagor in and to any policies then in force shall pass to the purchaser, grantee or assignee.

(B) Provided no Event of Default has occurred and is continuing, and provided the total cost of restoration of the Mortgaged Property is estimated to be One Hundred Thousand and no/100 Dollars (\$100,000.00) or less (the "Threshold"), Mortgagor shall have the right to adjust and settle any claims under any insurance policies and any condemnation awards. If the total estimated cost of restoration is greater than the Threshold or if an Event of Default has occurred and is continuing, Lender is authorized, to the fullest extent permitted under applicable law and in Lender's sole discretion, to proceed in accordance with Sections 4.2, 4.3 and 4.5 of this Mortgage.

4.2 Subject to Section 4.1(B), Mortgagor hereby authorizes Lender:

- (A) to settle and compromise all claims under all insurance policies;
- (B) to demand and receive all monies becoming due or payable under all insurance policies;
- (C) to execute, in the name of Mortgagor or the name of Lender, any proofs of loss, notices or other instruments in connection with all claims under all policies; and
- (D) to assign all policies to any holder of the Obligations or to the grantee of the Mortgaged Property in the event of the foreclosure or other transfer of title to the Mortgaged Property.

4.3 Subject to Section 4.1(B), in the event of payment under any of the policies, Mortgagor acknowledges and agrees that the proceeds of any of the insurance policies shall be paid by the insurer to Lender and Lender may, in its sole discretion, in whole or in part after deducting all costs of collection, including reasonable attorneys' fees, do any one or more of the following:

- (A) make available to Mortgagor all or a portion of such proceeds necessary to replace, reconstruct, repair or restore the Mortgaged Property or any portion thereof;
- (B) apply all or a portion of such proceeds as payment on account of the Obligations, whether or not then due and payable without affecting the amount or time of subsequent payments required to be made by Borrowers to Lender whether pursuant to the other Loan Documents or otherwise;
- (C) apply such proceeds, in whole or in part, to satisfy, perform or discharge any of the Covenants;
- (D) require that the Obligors continue paying or cause to be paid the Obligations as and when due and payable notwithstanding any loss of use of all or any part of the Mortgaged Property; or

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(E) if, prior to the receipt by Lender of proceeds of such policies, the Mortgaged Property shall have been transferred pursuant to a deed in lieu of foreclosure or otherwise sold or transferred by foreclosure of this Mortgage, receive proceeds of such policies to the extent of any deficiency with interest thereon at the Default Rate, whether or not a deficiency judgment on this Mortgage shall have been sought or recovered or denied, and the attorneys' fees, costs, expenses and disbursements incurred by Lender in connection with the collection of the proceeds of such policies.

4.4 Mortgagor further represents, warrants and covenants unto Lender as follows:

(A) Upon written request by Lender, Mortgagor shall make monthly deposits to Lender in an amount equal to one-twelfth (1/12th) of one hundred ten percent (110%) of that portion of the total annual Charges arising with respect to the Mortgaged Property for the most recent ascertainable tax year. Provided that no Event of Default or Unmatured Event of Default then exists, Lender shall pay when and to whom due and payable under applicable law, all of the aforesaid Charges from the monies deposited pursuant to this Paragraph 4.4(A). Notwithstanding the foregoing, Lender does not assume any of Mortgagor's obligations under said laws to make such payments and nothing contained in this Mortgage or the other Loan Documents shall require Lender to perform any such obligations of Mortgagor. Upon the occurrence of an Event of Default under this Mortgage, Lender shall not be obligated to make such payments, but, at its sole election and in its discretion, may make any or all such payments or apply such deposits to the Obligations.

(B) If the monies deposited pursuant to Section 4.4(A) above are insufficient to pay the Charges for which they are provided, thirty (30) days before such Charges shall become due and payable, Borrowers shall deposit with Lender such additional monies as are necessary to pay, in full, such Charges.

(C) Upon written request by Lender, Mortgagor shall establish with Lender an insurance escrow for deposit of funds for the payment of insurance premiums for all insurance policies required to be obtained and maintained by Mortgagor, whether pursuant to this Mortgage, the other Loan Documents or otherwise. Such insurance escrow shall be in such amount as is necessary to satisfy the required premiums under such policies as reasonably estimated by Lender, and shall be subject to such other terms and conditions as Lender, in its sole and absolute discretion, may determine.

4.5 Subject to Section 4.1(B), Mortgagor further represents, warrants and covenants unto Lender as follows:

(A) All awards now or hereafter made by any public or quasi-public authority to or for the benefit of Mortgagor in any way, manner or respect affecting, arising from or relating to the Mortgaged Property, or any portion thereof, by virtue of an exercise of the right of eminent domain by such authority, including, without limitation, any award for taking of title, possession, right of access to a public way or for any change of grade of streets affecting the Mortgaged Property, hereby are assigned to Lender as additional security for the full and timely payment and performance by Borrowers of the Obligations and the Covenants, and for such purpose, Mortgagor hereby grants to Lender a security interest therein.

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(B) Lender is hereby authorized, directed and empowered to collect and receive the proceeds of any such awards and to give proper receipts therefor whether in Mortgagor's name, in Lender's name or in both names, and may, in Lender's sole and absolute discretion, after deducting all costs of collection, including, but not limited to, reasonable attorneys' fees, do any one or more of the following:

- (1) apply such proceeds, in whole or in part, to the Obligations whether or not then matured and without affecting the amount or time of subsequent payments required to be made by Borrowers to Lender under this Mortgage or the other Loan Documents;
- (2) apply such proceeds, in whole or in part, to satisfy, perform or discharge any of the Covenants;
- (3) make available to Mortgagor all or a portion of such proceeds to replace, repair or restore any or all of the Mortgaged Property to a condition satisfactory to Lender; or
- (4) require that Borrowers continue to pay or cause to be paid the Obligations, as and when due and payable notwithstanding any loss of use of all or any part of the Mortgaged Property.

(C) Mortgagor, promptly after written request by Lender, shall make, execute and deliver or cause to be made, executed and delivered to or for the benefit of Lender any and all assignments and other instruments sufficient to assign, and cause the payment directly to Lender of, all such awards, free and clear of all Encumbrances, except for Lender's Lien and the Permitted Encumbrances. Notwithstanding any taking by eminent domain, alteration of the grade of any street or other injury to or decrease in value of the Mortgaged Property by any public or quasi-public authority or corporation, Borrowers shall continue to pay or cause to be paid all of the Obligations as and when due and payable. If, prior to the receipt by Lender of such award or payment, the Mortgaged Property shall have been transferred by a deed in lieu of foreclosure or otherwise sold or transferred by foreclosure of this Mortgage, Lender shall have the right to receive such award or payment to the extent of any deficiency with interest thereon at the Default Rate, whether or not a deficiency judgment on this Mortgage shall have been sought or recovered or denied, and the attorneys' fees, costs, expenses and disbursements incurred by Lender in connection with the collection of such award or payment.

4.6 Mortgagor hereby acknowledges that the following notice by Lender is required by and given in full compliance with the Illinois Collateral Protection Act, 815 ILCS 180/15:

Unless Mortgagor provides Lender with evidence of the insurance coverage required by this Mortgage, Lender may purchase insurance at Mortgagor's expense to protect Lender's interest in the Premises. This insurance may, but need not, protect Mortgagor's interests. The coverage that Lender purchases may not pay any claim that Mortgagor makes or any claim that is made against Mortgagor in connection with the Premises. Mortgagor may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Mortgagor has obtained insurance as required by this Mortgage. If Lender purchases insurance for the Premises, Mortgagor will be responsible for the cost of that insurance, including interest and any other charges Lender may impose in connection with the placement of the insurance, until the

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effective date of the cancellation or expiration of the insurance. The cost of the insurance may be added to Mortgagor's total outstanding balance or obligation. The cost of insurance may be more than the cost of insurance Mortgagor may be able to obtain on its own.

5. LEASES AND RENTS

5.1 Provided an Event of Default does not exist under this Mortgage or the other Loan Documents, Mortgagor shall have the right to collect all of the Rents arising from the Leases, or renewals thereof, and shall hold the same, in trust, to be applied, except as otherwise provided by applicable law, first to the payment of all Charges upon the Mortgaged Property, second to the cost of the maintenance of insurance policies upon the Mortgaged Property required hereby, and third to the maintenance and repairs required hereby, before using any part of the Rents for any other purposes.

5.2 At all reasonable times and upon reasonable prior written notice to Mortgagor, Lender, or any of Lender's agents, shall have the right to verify the validity, amount or any other matter relating to any or all of the Leases, by mail, telephone, telegraph or otherwise, in the name of Mortgagor, Lender, a nominee of Lender or in any or all of said names.

5.3 Unless Lender agrees otherwise in writing, Mortgagor shall: (A) promptly upon Mortgagor's receipt or learning thereof inform Lender, in writing, of any assertion of any claims, offsets or counterclaims by any of the obligors of the Leases; (B) not permit or agree to any extension, compromise or settlement or make any material change or modification of or with respect to the Leases or the terms thereof; and (C) promptly upon Mortgagor's receipt or learning thereof, furnish to and inform Lender of all material adverse information relating to or affecting the financial condition of any obligor of the Leases.

5.4 Upon written demand therefor by Lender, Mortgagor shall deliver to Lender, in form and substance acceptable to Lender, a detailed certified rent roll of all the Leases and such other matters and information relating thereto as Lender may reasonably request.

5.5 Mortgagor acknowledges and agrees that:

(A) Mortgagor shall, contemporaneously herewith, deliver to Lender true, accurate and complete copies of the Leases, if any, with appropriate endorsement or other specific evidence of assignment thereto to Lender, which endorsement or assignment shall be in form and substance reasonably acceptable to Lender.

(B) Lender may, at its election, upon written notice thereof to Mortgagor, notify any or all of the obligors of the Leases that the Leases have been assigned to Lender and, upon an Event of Default, Lender, whether in its name, in the name of Mortgagor or in both names, may direct said obligors thereafter to make all payments due from them under the Leases directly to Lender.

(C) During the continuance of an Event of Default, Mortgagor shall irrevocably direct all obligors of the Leases to make all payments under the Leases directly to Lender.

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(D) During the continuance of an Event of Default, Lender shall have the right without notice thereof to Mortgagee to enforce the terms of the Leases and obtain payment of and collect the Rents, by legal proceedings or otherwise, in the name of Mortgagee, Lender or in both names.

(E) During the continuance of an Event of Default, Lender may (1) demand payment of the Rents and performance of the Leases; (2) enforce payment of the Rents and performance of the Leases by legal proceedings or otherwise; (3) exercise any or all of Mortgagee's rights, interests and remedies in and under the Leases and to collect the Rents; (4) settle, adjust, compromise, extend or renew the Leases or the Rents; (5) settle, adjust or compromise any legal proceeding brought to collect the Rents or obtain performance of the Leases; (6) take possession, in any manner, of the Rents; (7) prepare, file and sign Mortgagee's name on any Proof of Claim in bankruptcy, or similar document in a similar proceeding, against any obligor of the Leases; (8) endorse the name of Mortgagee upon any payments or proceeds of the Rents and deposit the same to the account of Lender; and (9) do all acts and things necessary, in Lender's reasonable discretion, to carry out any or all of the foregoing.

(F) All of the foregoing payments and proceeds received by Lender shall be utilized by Lender, at its election and in its discretion, for any one or more of the following purposes: (1) to be held by Lender as additional collateral for the payment of the Obligations; (2) to be applied against the Obligations, in such manner as Lender may determine in its sole and absolute discretion; (3) to be applied against the Covenants, or the operation or business thereof as Lender, at its election, shall determine; or (4) to be remitted to Mortgagee.

6. EVENT OF DEFAULT

6.1 The occurrence of any one or more of the following shall constitute an "Event of Default" under this Mortgage:

(A) the occurrence of an "Event of Default" (as defined in the Loan Agreement);

(B) a breach, default or event of default occurs, whether by the lessor or the lessee, under any Lease with respect to the Premises which Lender deems in its sole discretion will materially impair Borrowers' ability to perform the Obligations; or

(C) any sale, conveyance or transfer of any right, title or interest in any of the Mortgaged Property or any portion thereof, or any other violation of any provisions of this Mortgage with respect to any transfers of the Mortgaged Property.

6.2 Upon the occurrence of an Event of Default and at the election of Lender, without further notice to or demand of Mortgagee or any other Borrower, all of the Obligations shall become immediately due and payable, and Lender, in its discretion and at its election, may do any one or more of the following:

(A) Without notice to Mortgagee or any other Borrower, accelerate the maturity of the Obligations and/or foreclose upon Lender's Lien and exercise any rights or remedies granted to Lender under this Mortgage, the other Loan Documents, or provided by law, in equity or otherwise. Upon an Event of Default, the Obligations shall bear interest at the Default Rate.

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(B) Subject to applicable law, forcibly or otherwise, enter upon and take immediate possession of the Mortgaged Property, expel and remove any Persons, goods or chattels occupying or upon the Mortgaged Property, receive all Rents, and issue receipts therefore, manage, control and operate the Mortgaged Property as fully as Mortgagor might do if in possession thereof, including, but not limited to, the making of all repairs and replacements deemed necessary by Lender and the leasing of the Mortgaged Property, or any part thereof, from time to time, and after deducting all reasonable attorneys' fees, costs, fees and expenses incurred in the protection, care, maintenance, management and operation of the Mortgaged Property, apply the remaining net income, if any, to the Obligations, as Lender shall determine in its sole discretion. At the option of Lender, such entry and taking of possession shall be accomplished either by actual entry and possession or by written notice in accordance with Section 7.1 of this Mortgage. Mortgagor agrees to surrender possession of the Mortgaged Property to Lender immediately upon the occurrence of an Event of Default. If any Borrower shall remain in physical possession of the Mortgaged Property, or any part thereof, after an Event of Default, such possession shall be as a tenant at sufferance of Lender, and Mortgagor agrees to pay to Lender, or to any receiver appointed as provided below, after an Event of Default, a monthly rental for the Mortgaged Property, or the part thereof so occupied by such Borrower to be applied as provided above in the first sentence of this subsection (B), and to be paid in advance on the first day of each calendar month, and, upon failure to do so, Borrowers may be dispossessed by the usual summary proceedings. In the event any Borrower shall so remain in possession of all, or any part of, the Mortgaged Property, said monthly rental shall be in amounts established by Lender in its discretion. This covenant shall be effective irrespective of (1) whether any foreclosure proceeding shall have been instituted, and (2) any application for, or appointment of, a receiver.

(C) File one or more suits at law or in equity for the foreclosure of all or any portion of this Mortgage or to collect the Obligations. In the event of the commencement of any such suit by Lender, Lender shall have the right, either before or after sale, upon notice but without requiring bond, as such bond is hereby expressly waived by Mortgagor, and without regard to the solvency or insolvency of Mortgagor at the time of application and without regard to the then value of the Mortgaged Property or whether the same is then occupied, to make application for and obtain the appointment of a receiver for the Mortgaged Property. Such receiver shall have the power to collect the Rents during the pendency of such suit and, in case of a sale and a deficiency, during the full statutory period of redemption as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect the Rents, and shall have all other powers which may be necessary or usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property. The court before which such suit is pending may from time to time authorize the receiver to apply the net income in his hands in payment, in whole or in part, of the Obligations. In case of a sale pursuant to foreclosure, the Premises may, but need not, be sold as one parcel.

(D) If Lender commences any suit to foreclose this Mortgage, Lender shall have the right to apply to the court in which such proceedings are pending for entry of an order placing Lender in possession of the Mortgaged Property. If an order is entered placing Lender in possession of the Mortgaged Property, Lender may thereupon enter upon and take immediate possession of the Mortgaged Property, expel and remove any Persons, goods or chattels occupying or upon the Mortgaged Property, receive all Rents, and issue receipts therefor, manage, control and operate the Mortgaged Property, including, but not limited to, the making of all repairs and replacements deemed necessary by Lender

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and the leasing of the Mortgaged Property or any part thereof, from time to time, and, after deducting all reasonable attorneys' fees, costs, fees and expenses incurred in the protection, care, maintenance, management and operation of the Mortgaged Property, apply the remaining net income, if any, to the Obligations. At the option of Lender, such entry and taking of possession shall be accomplished either by actual entry and possession or by written notice of entry of the order placing Lender in possession in accordance with Section 7.1 of this Mortgage. If any Borrower shall remain in physical possession of the Mortgaged Property after entry of an order placing Lender in possession, such Borrower's possession shall be as a tenant at sufferance of Lender, and Mortgagor agrees to pay to Lender, or to any other Person authorized by Lender, after entry of such order, a monthly rental for the Mortgaged Property, or the part thereof so occupied by such Borrower to be applied as provided above in the first sentence of Section 6.2(B) and to be paid in advance on the first day of each calendar month, and, upon failure to do so, such Borrower may be dispossessed by the usual summary proceedings. If a Borrower shall so remain in possession of all or of any part of the Mortgaged Property, said monthly rental shall be in amounts established by Lender in its discretion. Any action by Lender to take possession of the Premises, or any action or inaction by Lender in connection with, or relating to such possession, shall be in the sole discretion of Lender and solely for Lender's benefit and not for the benefit of Borrowers or any third party.

6.3 Upon the occurrence of an Event of Default under this Mortgage, there will be added to and included as part of the Obligations, and allowed in any decree for sale of the Mortgaged Property or in any judgment rendered in connection with this Mortgage or the other Loan Documents the following: (A) all of the costs, fees and the expenses incurred by Lender in taking possession of the Mortgaged Property and in the holding, using, leasing, maintaining, repairing and selling of the Mortgaged Property, including, but not limited to, the costs, fees, charges, expenses and reasonable attorneys' fees specified in Section 6.4 below; (B) receivers' fees; (C) any and all expenditures which may be paid or incurred by or on behalf of Lender for appraisers' fees, documentary and expert evidence, stenographers' charges, publication costs, fees and expenses for examination of title, title searches, guaranty policies and other similar data and assurances with respect to the title to the Mortgaged Property; (D) all prepayment or similar premiums, if any; and (E) all other costs, fees and expenses, including, without limitation, reasonable attorneys' fees, which Lender deems necessary and incurs to prosecute or enforce any right or remedy it has under this Mortgage, the other Loan Documents, at law, in equity or otherwise, or to inform bidders at any sale which may be had pursuant to its rights hereunder, of the true condition of title or of the value of the Mortgaged Property. All such costs, charges, expenses, prepayment or like premiums, fees and other expenditures shall be a part of the Obligations, secured by this Mortgage and the other Loan Documents, payable on demand and shall bear interest at the Default Rate from the date of Lender's payment thereof until repaid to Lender.

6.4 If foreclosure proceedings are instituted upon this Mortgage, or if Lender shall be a party to, shall intervene, or file any petition, answer, motion or other pleading in any suit or proceeding relating to or in connection with the Obligations or the Covenants, or if Lender shall incur or pay any expenses, costs, charges, fees or attorneys' fees by reason of the employment of counsel for advice with respect to the Obligations or the Covenants, and whether in court proceedings or otherwise, such expenses, costs, charges and all of Lender's attorneys' fees shall be part of the Obligations, secured by this Mortgage and the other Loan Documents, payable on demand and shall bear interest at the Default Rate from the date of Lender's payment thereof until paid.

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6.5 The proceeds of any foreclosure sale of the Mortgaged Property shall be applied and distributed, first, on account of the fees, charges, costs and expenses described in Sections 6.3 and 6.4 above, second, to the balance of the Obligations and third, the surplus, if any, to Mortgagor.

6.6 If Lender commences judicial proceedings to foreclose this Mortgage, Mortgagor, on behalf of itself, its successors and permitted assigns, and each and every Person which Mortgagor may legally bind which acquires any interest in or title to the Mortgaged Property subsequent to the date of this Mortgage: (A) does hereby expressly waive any and all rights of appraisal, valuation, stay, extension and, to the extent permitted by law, redemption from sale under any order or decree of foreclosure of this Mortgage; and (B) does hereby agree that when sale is had under any decree of foreclosure of this Mortgage, upon confirmation of such sale, the master in chancery or other officer making such sale, or his successor in office, shall be and is hereby authorized immediately to execute and deliver to any purchaser at any sale a deed conveying the Mortgaged Property, showing the amount paid therefor, or if purchased by the Person in whose favor the order or decree is entered, the amount of his bid therefor.

6.7 Lender shall have the right to sue for any sums, whether interest, principal or other sums required to be paid by or for the account of Borrowers under the terms of this Mortgage or the other Loan Documents, as the same become due, or for any other of the Obligations which shall become due, and without prejudice to the right of Lender thereafter to bring an action of foreclosure, or any other action, for a default or defaults by Borrowers existing at the time such earlier action was commenced.

6.8 No right or remedy of Lender hereunder is exclusive of any other right or remedy hereunder or now or hereafter existing at law, in equity or otherwise, but is cumulative and in addition thereto and Lender may recover judgment thereon, issue execution therefor, and resort to every other right or remedy available at law, in equity or otherwise without first exhausting or affecting or impairing the security or any right or remedy afforded by this Mortgage. No delay in exercising, or omission to exercise, any right or remedy will impair any such right or remedy or will be construed to be a waiver of any default by Mortgagor hereunder, or acquiescence therein, nor will it affect any subsequent default hereunder by Mortgagor of the same or different nature. Every such right or remedy may be exercised independently or concurrently, and when and so often as may be deemed expedient by Lender. No terms or conditions contained in this Mortgage may be waived, altered or changed except as evidenced in writing signed by Mortgagor and Lender.

6.9 If any rate of interest described in this Mortgage or the other Loan Documents is greater than the rate of interest permitted to be charged or collected by applicable law, as the case may be, such rate of interest shall automatically be reduced to the maximum rate of interest permitted to be charged or collected by applicable law.

6.10 Any failure of Lender to insist upon the strict performance by Mortgagor or any other party of any of the terms and provisions of this Mortgage or the other Loan Documents, shall not be deemed to be a waiver of any of the terms and provisions thereof, and Lender, notwithstanding any such failure, shall have the right at any time or times thereafter to insist upon the strict performance by Mortgagor or any other party of any and all of the terms and provisions thereof to be performed by such party. Neither Mortgagor nor any other Person now or hereafter obligated for the payment of the whole or any part of the Obligations shall be relieved of such obligation by reason of (A) the sale, conveyance

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or other transfer of the Mortgaged Property, (B) the failure of Lender to comply with any request of Mortgagor or of any other Person to take action to foreclose this Mortgage or otherwise enforce any of the provisions of this Mortgage or the other Loan Documents, (C) the release, regardless of consideration, of the whole or any part of the collateral or security held for the Obligations or the Covenants, or (D) any agreement or stipulation between any subsequent owner or owners of the Mortgaged Property and Lender extending or modifying the time of payment of the Obligations or the Covenants, without first having obtained the consent of Mortgagor or such other Person, and, in such case, Mortgagor and all such other Persons, shall continue to be liable on account of the Obligations and to make such payments according to the terms of any such agreement, extension or modification unless expressly released and discharged in writing by Lender. Lender, without notice, may release, regardless of consideration, any part of the security held for the Obligations without, as to the remainder of the security therefor, in any way impairing or affecting the lien of this Mortgage or the priority of such lien over any subordinate lien. Lender may resort for the payment of the Obligations to any other security therefor held by Lender in such order and manner as Lender may elect.

7. MISCELLANEOUS

7.1 Any and all notices, demands, requests, consents, designations, waivers and other communications required or desired hereunder shall be in writing and shall be deemed effective when delivered in accordance with the notice section of the Loan Agreement.

7.2 All the covenants contained in this Mortgage will run with the land. Time is of the essence of this Mortgage and all provisions herein relating thereto shall be strictly construed.

7.3 This Mortgage, and all the provisions hereof, will be binding upon and inure to the benefit of the successors of Mortgagor, and the successors, parents, divisions, affiliates and assigns of Lender. This Mortgage may not be assigned by Mortgagor, but may be assigned by Lender without notice to Mortgagor. This Mortgage may not be modified, altered or amended, except by an agreement in writing signed by Mortgagor and Lender.

7.4 This Mortgage shall be governed as to validity, interpretation, construction, effect and in all other respects by the laws and decisions of the State of Illinois. Wherever possible, each provision of this Mortgage shall be interpreted in such a manner as to be valid and enforceable under applicable law, but if any provision of this Mortgage is held to be invalid or unenforceable by a court of competent jurisdiction, such provision shall be severed herefrom and such invalidity or unenforceability shall not affect any other provision of this Mortgage, the balance of which shall remain in and have its intended full force and effect. Provided, however, if such provision may be modified so as to be valid and enforceable as a matter of law, such provision shall be deemed to be modified so as to be valid and enforceable to the maximum extent permitted by law.

7.5 This Mortgage is given to secure, among other things, the Obligations. This Mortgage shall secure not only presently existing indebtedness under the other Loan Documents, but also future advances, whether such advances are obligatory, to be made at the option of Lender, or otherwise, to the same extent as if such future advances were made on the date of the execution of this Mortgage. The lien of this Mortgage shall be valid as to all indebtedness secured hereby, including future advances, from the time of its filing for record in the Cook County Recorder's Office where this Mortgage is

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recorded. The total amount of the indebtedness secured hereby, including, but not limited to, any disbursements which Lender may make under this Mortgage or the other Loan Documents, at any one time outstanding shall not exceed the principal amount of Fifty-Five Million and no/100 Dollars (\$55,000,000.00), plus interest thereon, and any disbursements made by Lender for the payment of taxes, special assessments, or insurance on the Mortgaged Property, and any other costs, fees, expenses or other indebtedness owed by Borrowers to Lender pursuant to this Mortgage or the other Loan Documents. This Mortgage shall be valid and have priority to the extent of the maximum amount secured hereby over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Mortgaged Property given priority by law.

7.6 Mortgagor shall reimburse Lender for all costs, fees and expenses incurred by Lender, or for which Lender becomes obligated, whether before or after the occurrence of an Event of Default, in connection with the negotiation, preparation, administration, enforcement and conclusion of this Mortgage and the other Loan Documents, including, but not limited to, reasonable attorneys' and paralegals' fees, costs and expenses, other professional fees, search fees, costs and expenses, filing and recording fees, all taxes payable in connection with this Mortgage or the other Loan Documents, and any costs and fees incurred in connection with any proceeding to protect, collect, sell, liquidate or otherwise dispose of any of Lender's collateral. Mortgagor shall further reimburse Lender for audit fees at Lender's standard rates for each person employed to perform such audit or analysis plus all out-of-pocket costs or expenses incurred by Lender in the performance of such audit or analysis. All such costs, fees and expenses referenced in this section shall be part of the Obligations payable by Mortgagor to Lender upon demand with interest at the Default Rate until actually paid. Without limiting the generality of the foregoing, such costs and expenses shall include the reasonable fees, expenses and charges of attorneys, paralegals, accountants, investment bankers, appraisers, valuation and other specialists, experts, expert witnesses, auctioneers, court reporters, telegram, management consultants, telex and telefax charges, overnight delivery services, messenger services and expenses for travel, lodging and meals.

7.7 (A) Lender shall not be required or obligated to take any of the following action prior to pursuing any rights or remedies Lender may have under this Mortgage, whether against Borrowers, the Mortgaged Property or otherwise: (i) take any action to collect from, or to file any claim of any kind against Borrowers, any guarantor, or any other person or entity liable, jointly or severally, for the full and timely performance of the Covenants, the full and timely payment of any of the Obligations or for the full and timely payment or performance of the Obligations; (ii) take any steps to protect, enforce, take possession of, perfect any interest in, foreclose or realize on any collateral or security securing the Covenants or the Obligations; or (iii) in any other respect, exercise any diligence whatsoever in enforcing, collecting or attempting to collect any of the Obligations by any means.

(B) Mortgagor unconditionally and irrevocably waives each and every defense which would otherwise impair, restrict, diminish or affect any of the Obligations or Lender's rights and remedies hereunder, including, without limitation, any suretyship defenses. Without limiting the foregoing, Lender shall have the exclusive right from time to time without impairing, restricting, diminishing or affecting any of the Obligations or Lender's rights and remedies hereunder and without notice of any kind to Mortgagor, to (i) provide additional financial accommodations to Borrowers or any Borrower; (ii) accept partial payments on the Obligations; (iii) take and hold collateral or security to secure the Covenants or the Obligations, or take any other guaranty to secure the Covenants, or the Obligations;

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(iv) in its sole discretion, apply any such collateral or security, and direct the order or manner of sale thereof, and the application of the proceeds thereof; (v) release any guarantor or co-obligor of the Obligations; and (vi) settle, release, compromise, collect or otherwise liquidate the Obligations or exchange, enforce, sell, lease, use, maintain, impair and release any collateral or security therefor in any manner, without affecting or impairing any of Lender's rights under this Mortgage.

(C) Mortgagor hereby unconditionally waives (i) notice of any default arising from the failure to pay or satisfy the Obligations and the Covenants, and (ii) presentment, notice of dishonor, protest, demand for payment and any other notices of any kind.

(D) Mortgagor assumes full responsibility for keeping informed of (i) the financial condition of the other Borrowers; (ii) the extent of the Obligations; and (iii) all other circumstances bearing upon the other Borrowers or the risk of non-payment of the Obligations. Mortgagor agrees that Lender shall have no duty or obligation to advise, furnish or supply Mortgagor of or with any information known to Lender, including, but not limited to, the financial condition of Borrowers, any other circumstances relating to non-payment of the Obligations or otherwise. If Lender, in its sole discretion, provides any advice or information to Mortgagor, Lender shall be under no obligation to investigate the matters contained in such advice or information, or to correct such advice or information if Lender thereafter knows or should have known that such advice or information is misleading or untrue, in whole or in part, or to update or provide any other advice or information in the future.

(E) Mortgagor acknowledges and agrees that Mortgagor may have a right of indemnification, subrogation, contribution and reimbursement from the other Borrowers, Lender or any guarantor of the Obligations. Mortgagor understands the benefits of having such rights, including, but not limited to, (i) Mortgagor's right to reimbursement from Borrowers of all monies expended for the payment of the Obligations; and (ii) Mortgagor's subrogation to the rights of Lender after payment of the Obligations. Mortgagor knowingly and voluntarily waives, releases and relinquishes Mortgagor's rights of indemnification, subrogation, contribution and reimbursement from Lender or any other party.

7.8 Mortgagor acknowledges that the rights and responsibilities of Lender under this Mortgage and the Assignment of Rents with respect to any action taken by Lender or the exercise or non-exercise by Lender of any option, voting right, request, judgment or other right or remedy provided for herein or therein or resulting or arising out of this Mortgage or the Assignment of Rents shall be governed by the Loan Agreement and by such other agreements with respect thereto as may exist from time to time.

7.9 The terms and provisions of the Loan Agreement and the other Loan Documents are incorporated herein by this reference thereto.

7.10 The Exhibits referred to herein are attached hereto, made a part hereof and incorporated herein by this reference thereto.

7.11 All references to "Borrowers" shall mean Mortgagor, Crown Packaging, WHBC, Big Sky Park, Polycon and any other party joined as a Borrower pursuant to the terms of the Loan Agreement, both individually and collectively, and jointly and severally.

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7.12 Until the Obligations secured by this Mortgage have been indefeasibly paid in full to Lender, Mortgagor hereby waives each and every right which Mortgagor now has or hereafter may have to levy or distrain for rent, in arrears, in advance or both, for any monetary obligation arising by reason of a breach, default or event of default under any lease or to claim or assert any lien, right, claim or title in and to any personal property which now or hereafter may be located on the Premises, including, but not limited to, any rights arising under the laws of the state where the Premises are located, pursuant to any lease, any Borrower's occupation of the Premises or otherwise, including all personal property of any Borrower. Mortgagor acknowledges and agrees that Lender shall have the right at any time, without notice or cost, to enter the Premise to sell, remove, process or otherwise take any action for the benefit of Lender with respect to Lender's collateral and its rights and remedies under the Loan Documents.

7.13 MORTGAGOR HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, DIRECTED TO MORTGAGOR AS SET FORTH HEREIN IN THE MANNER PROVIDED BY APPLICABLE STATUTE, LAW, RULE OF COURT OR OTHERWISE.

7.14 MORTGAGOR AND LENDER IRREVOCABLY AGREE, AND HEREBY CONSENT AND SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS, AND THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION, WITH REGARD TO ANY LITIGATION, ACTIONS OR PROCEEDINGS ARISING FROM OR RELATING TO OR IN CONNECTION WITH THE OBLIGATIONS, THE COVENANTS, THIS MORTGAGE OR THE OTHER AGREEMENTS. MORTGAGOR HEREBY WAIVES ANY RIGHT IT MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY LITIGATION, ACTIONS OR PROCEEDINGS FILED IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS, OR THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION. NOTWITHSTANDING THE FOREGOING, NOTHING HEREIN SHALL IMPAIR THE RIGHT OR ABILITY OF LENDER TO FILE LEGAL PROCEEDINGS TO FORECLOSE ON THE LIENS CREATED BY THIS MORTGAGE IN THE STATE AND COUNTY WHERE THE MORTGAGED PROPERTY (OR ANY PORTION THEREOF) IS LOCATED.

7.15 MORTGAGOR AND LENDER EACH HEREBY ABSOLUTELY AND UNCONDITIONALLY WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IN CONNECTION WITH ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER OR RELATED TO THIS MORTGAGE, THE OBLIGATIONS, THE COVENANTS OR THE OTHER AGREEMENTS, OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED AND DELIVERED IN CONNECTION THEREWITH OR RELATED THERETO.

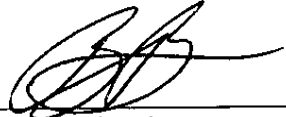
7.16 Lender shall release this Mortgage and Lender's Lien by proper instrument in recordable form upon indefeasible payment in full and discharge of all Obligations.

[signature page follows]

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

WEST-HUB LIMITED LIABILITY COMPANY,
an Illinois limited liability company

By: 
Name: Berle R. Blitstein
Title: Manager

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STATE OF ILLINOIS)
) SS.
COUNTY OF Cook)

I, Elizabeth J. Kreil, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Berle R. Blitstein, who is personally known to me to be the Manager of **West-Hub Limited Liability Company**, an Illinois limited liability company, and the same person whose name is subscribed to the foregoing Mortgage and Security Agreement (Illinois), appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 22nd day of October, 2020.

Elizabeth J. Kreil
Notary Public

My Commission Expires:



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EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL 1:

ALL OF BLOCK 3 IN EBERHART & WILBUR'S SUBDIVISION OF BLOCK 25 OF CANAL TRUSTEE'S SUBDIVISION OF SECTION 7, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THAT PART OF SAID BLOCK 3 AFORESAID LYING SOUTH OF A LINE DRAWN FROM A POINT ON THE WEST LINE OF LOT 13 IN SAID BLOCK, 21 AND 8/10THS FEET NORTH OF THE SOUTHWEST CORNER OF SAID LOT 13 TO THE SOUTHWEST CORNER OF LOT 12) AND (EXCEPT FROM SAID BLOCK 3 THAT PART LYING WEST OF A LINE DRAWN PARALLEL WITH AND 50 FEET EAST OF THE WEST LINE OF SECTION 7) IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOTS 5, 6, 7, 8 AND 9 IN BLOCK 2 IN EBERHART AND WILBUR'S SUBDIVISION OF BLOCK 25 IN CANAL TRUSTEE'S SUBDIVISION OF SECTION 7, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PINs: 17-07-125-058-0000
17-07-125-059-0000
17-07-132-001-0000

Common Address: 401 North Western Avenue, Chicago, IL 60612

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EXHIBIT "B"

PERMITTED ENCUMBRANCES

1. Permitted Liens (as such term is defined in the Loan Agreement) which specifically apply to the Mortgaged Property.
2. Taxes or Special Assessments which are not yet due and payable.
3. The Leases, subject to subordination of tenants right thereunder to Lender in form and substance acceptable to Lender.
4. Rights of public utility companies in and to the use of the vacated alleys in Block 3 for the purposes of ingress and egress for the purpose of installation, upkeep and repair of its electric or telephone poles, conduits, wires, etc.
5. Encroachment of the fire escapes located mainly on the Land and onto the Public Right-of-Way North and adjoining and onto the Public Right-of-Way Southwesterly and adjoining by undisclosed amount as disclosed by survey prepared by Mackie Consultants, LLC dated March 22, 2016, Project No. 2904.
6. Encroachment of the Multi-Story Building located mainly on the Land and onto the Public Right-of-Way Southwesterly by approximately 0.18 feet to 0.28 feet as disclosed by survey prepared by Mackie Consultants, LLC dated March 22, 2016, Project No. 2904.

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EXHIBIT "C"

LEASES

That certain lease agreement by and between Orchard Hill Cabinetry, Inc., doing business as Builders Cabinet Supply, Inc. and Mortgagor, as amended or restated from time to time.

That certain lease agreement by and between Acme Builders Inc. and Mortgagor, as amended or restated from time to time.

That certain lease agreement by and between Polycon Industries, Inc. and Mortgagor, as amended or restated from time to time.

9924290.4

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