

Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Report Mortgage Fraud  
844-768-1713



\*2103310015\*

Doc# 2103310015 Fee \$88.00

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

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 02/02/2021 11:08 AM PG: 1 OF 26

The property identified as: PIN: 13-16-324-020-0000

Address:

Street: 5256 W. Irving Park Road

Street line 2:

City: Chicago

State: IL

ZIP Code: 60641

Lender: Christopher J. Schafer and Ramona Mateiu

Borrower: Todor Mateiu and Maria Mateiu

Loan / Mortgage Amount: \$200,000.00

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.

S \_\_\_\_\_  
P 26  
S 1  
M 1  
SC 1  
E 1  
INT wd

*6/16*

Certificate number: 76238C92-E888-4143-AC2B-D5F34CEA6F80

Execution date: 10/27/2020

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**This Instrument Prepared by and  
After Recording Return to:**

Christopher J. Schafer  
5931 N. Kostner Ave.  
Chicago, IL 60646

(For Recorder's Use Only)

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

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT, FINANCING STATEMENT, AND FIXTURE FILING (as amended, amended and restated, supplemented, renewed, or otherwise modified from time to time, this "**Mortgage**"), dated as of the 30<sup>th</sup> day of October, 2020, is made by Todor Mateiu and Maria Mateiu, husband and wife, as joint tenants, whose address is 7046 N. Kenton, Lincolnwood, Illinois 60712 (collectively, "**Mortgagor**") in favor of Christopher J. Schafer and Ramona Mateiu, having an address at 5931 N. Kostner Ave., Chicago, IL 60646 (collectively, "**Mortgagee**").

## RECITALS

A. Pursuant to that certain Loan Agreement and Promissory Note dated as of October 30, 2020 by and among Mortgagor, as the borrower, and Mortgagee, as the lender (as amended, amended and restated, supplemented, renewed, or otherwise modified from time to time, the "**Loan Agreement and Note**"), Mortgagee has agreed to make a loan and certain other financial accommodations in the original principal amount of TWO HUNDRED THOUSAND AND 00/100 Dollars (\$200,000.00) (collectively, the "**Loan**") to or for the account of Mortgagor on the conditions and in accordance with the terms thereof; the Loan is evidenced by and bears interest in accordance with the Loan Agreement and Note (defined below), and is due and payable in full on or

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before November 1, 2025, subject to any extensions which may be provided for in the Loan Agreement and Note;

B. It is a condition of the obligation of Mortgagee to make advances or otherwise to extend credit to Mortgagor under the Loan Agreement and Note and the other Loan Documents (defined below) that Mortgagor execute and deliver this Mortgage;

C. Mortgagor will receive substantial benefit from the execution, delivery, and performance of the Loan Agreement and Note and the other Loan Documents and is, therefore, willing to enter into this Mortgage; and

D. Mortgagor is the owner of the fee simple estate in the Land (defined below) and Improvements (defined below);

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the due and punctual payment and performance of all of the Secured Obligations (defined below) as and when the same becomes due and payable, Mortgagor hereby represents, warrants, covenants, and agrees for the benefit of Mortgagee as follows:

## ARTICLE I DEFINITIONS

For purposes of this Mortgage, the following terms shall have the following meanings. Capitalized terms used in this Mortgage without definition shall have the meanings ascribed to such terms in the Loan Agreement and Note.

“**Act**” has the meaning set forth in Section Section 8.02(a)(ii).

“**Casualty**” means any liability resulting from accident or event which could not have been reasonably foreseen or avoided, such as fire, earthquake or other similar events.

“**Collateral Protection Act**” has the meaning set forth in Section Section 8.02(i).

“**Compliance Notice**” has the meaning set forth in Section Section 6.11.

“**Condemnation Event**” means any compulsory transfer or taking or transfer under threat of compulsory transfer or taking of all or a material portion of the Property by any governmental authority or entity acting under power of eminent domain.

“**Default Rate**” has the meaning set forth in the Loan Agreement and Note.

“**Event of Default**” has the meaning set forth in the Loan Agreement and Note.

“**Fixtures and Equipment**” has the meaning set forth in Section Section 2.01(b).

“**Improvements**” has the meaning set forth in Section Section 2.01(b).

“**Land**” has the meaning set forth in Section Section 2.01(a).

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“**Leases**” has the meaning set forth in Section Section 2.01(e).

“**Loan**” has the meaning set forth in the recitals.

“**Loan Agreement and Note**” has the meaning set forth in the recitals.

“**Loan Documents**” means, collectively, this Mortgage, the Loan Agreement and Note, and all other instruments and documents at any time executed by Mortgagor or any Obligor relating to, evidencing or setting out any of the terms of or security for the Secured Obligations, and the term “**Loan Document**” means any of the Loan Documents, as the same may be amended, restated, supplemented, or otherwise modified from time to time in accordance with its terms.

“**Mortgage**” has the meaning set forth in the introductory paragraph.

“**Mortgagee**” has the meaning set forth in the introductory paragraph.

“**Mortgagor**” has the meaning set forth in the introductory paragraph.

“**Non-Monetary Obligations**” means all any and all obligations of the Mortgagor under the Loan Documents that are not related to the making of any payments required under the Loan Documents.

“**Obligor**” means Mortgagor.

“**Permitted Exceptions**” means those matters set forth on Exhibit A attached hereto and incorporated herein by this reference.

“**Personal Property**” has the meaning set forth in Section Section 2.01.

“**Property**” has the meaning set forth in Section Section 2.01.

“**Property Agreements**” has the meaning set forth in Section Section 2.01(f).

“**Receiver**” has the meaning set forth in Section Section 6.03.

“**Release**” has the meaning set forth in Section Section 7.17(a).

“**Rents**” has the meaning set forth in Section Section 2.01(d).

“**Secured Indebtedness**” has the meaning set forth in the Loan Agreement and Note.

“**Secured Obligations**” means collectively, the Secured Indebtedness and the Non-Monetary Obligations.

“**UCC**” has the meaning set forth in Section Section 2.01(b).

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## ARTICLE II GRANT AND SECURED INDEBTEDNESS

**Section 2.01 Grant.** In order to secure the due and punctual payment and performance of all of the Secured Obligations as and when the same becomes due and payable, whether at the stated maturity, by acceleration or otherwise, Mortgagor does hereby GRANT, MORTGAGE, PLEDGE, BARGAIN, SELL, ASSIGN, TRANSFER, WARRANT, AND CONVEY, unto Mortgagee the following described property now owned or held or hereafter acquired from time to time (collectively, the “**Property**”):

(a) All that certain tract or parcel of land lying and being in Cook County, Illinois with the address commonly known as 5256 W. Irving Park Road, Chicago, IL 60641, with tax identification number 13-16-324-020-0000, and being more particularly described below:

LOTS 71 AND 72 IN NORTIN’S HOME ADDITION TO IRVING PARK, BEING A RESUBDIVISION OF THE WEST HALF OF THE EAST HALF OF THE SOUTH HALF OF LOT 8 IN SCHOOL TRUSTEE’S SUBDIVISION OF SECTION 16, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THE EAST TWO ONE-HUNDRETHS OF A FOOT THEREOF), IN COOK COUNTY, ILLINOIS (the “**Land**”)

and all minerals, oil, gas, and other hydrocarbon substances, sand, gravel, and other materials that may be mined, produced, or extracted from the Land, in, on, or under the surface of the Land (to the extent owned by Mortgagor), as well as all development rights, permits, licenses, air rights, water, water rights, water stock, utility reservations, sanitary sewer, and other utility capacities relating to the Land.

(b) All buildings, structures, and other improvements of every kind and nature whatsoever now or hereafter situated on the Land (collectively, the “**Improvements**”), all apparatus, equipment, fittings, fixtures, machinery, materials, supplies, and other items of personal property now owned or hereafter acquired by Mortgagor and now or hereafter affixed or attached to, installed in, or used in connection with the operation or maintenance of the Land or Improvements including any fixtures as defined in the Uniform Commercial Code in effect in the jurisdiction in which the Land and Improvements are located and/or where Mortgagor is located or organized (the “**UCC**”) and any appliances, storm doors and windows, lighting, plumbing, pipes, pumps, tanks, conduits, sprinkler and other fire prevention or suppression, refrigeration, incineration, escalator, elevator, loading, security, water, steam, gas, electrical, telephone, cable, internet, switchboards, storm and sanitary sewer, drainage, HVAC, boilers, waste removal, or other utility equipment or systems (collectively, the “**Fixtures and Equipment**”) and building, construction, development, and landscaping supplies and materials now or hereafter affixed to or located at the Land or the Improvements and all replacements, substitutions, and additions to the foregoing.

(c) All easements, rights-of-way, strips and gores of land, streets, ways, alleys, passages, sewer rights, utility reservations and capacity rights, waters, water courses, water rights and powers, estates, rights, titles, interests, minerals, royalties, privileges, liberties, tenements, hereditaments, and appurtenances whatsoever, in any way now or hereafter belonging, relating, or appertaining to the Land or the Improvements, or any part thereof and the reversions,

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remainders, rents, issues, and profits thereof; and all right to receive excess payments in any tax sale of the Land and the Improvements.

(d) Any and all rents, revenues, issues, profits, royalties, income, cash proceeds, security deposits, accounts, moneys, and other benefits that are now due or may hereafter become due by reason of the renting, leasing, bailment of all or any portion of the Land or the Improvements, or the use or occupancy thereof (collectively "**Rents**").

(e) Subject to the rights of Mortgagor hereunder and under the Loan Documents, all leasehold estates, leases, subleases, sub-subleases, licenses, concessions, occupancy agreements, or other agreements (written or oral, now or at any time in effect and every modification, amendment, or other agreement relating thereto, including every guarantee of the performance and observance of the covenants, conditions, and agreements to be performed and observed by the other party thereto) which grant a possessory interest in, or the right to use or occupy, all or any part of the Land and/or Improvements, together with all related security and other deposits (in each case, as amended, amended and restated, supplemented, renewed, extended, substituted, or otherwise modified from time to time, collectively, "**Leases**").

(f) All other contracts and agreements in any way relating to, executed in connection with, or used in, the development, construction, use, occupancy, operation, maintenance, enjoyment, acquisition, management, or ownership of the Land and/or Improvements or the sale of goods or services produced in or relating to the Land and/or Improvements (collectively, in each case as amended, amended and restated, supplemented, renewed, extended, substituted, or otherwise modified from time to time, the "**Property Agreements**") including: (i) all construction contracts, architects' agreements, engineers' contracts, utility contracts, letters of credit, escrow agreements, maintenance agreements, management, leasing, and related agreements, parking agreements, equipment leases, service contracts, operating leases, catering and restaurant leases and agreements, agreements for the sale, lease, or exchange of goods or other property, agreements for the performance of services, permits, variances, licenses, certificates, and entitlements; (ii) all material agreements and instruments under which Mortgagor or any of its affiliates or the seller of the Land and/or Improvements have remaining rights or obligations in respect of Mortgagor's acquisition of the Land and/or Improvements or equity interests therein; (iii) business licenses, variances, entitlements, certificates, state health department licenses, liquor licenses, food service licenses, certificates of need, and all other permits, licenses, and rights obtained from any governmental authority or private person; (iv) all rights of Mortgagor to receive monies due and to become due under or pursuant to the Property Agreements; (v) all claims of Mortgagor for damages arising out of or for breach of or default under the Property Agreements; and (vi) all rights of Mortgagor to terminate, amend, supplement, modify, or waive performance under the Property Agreements, to compel performance and otherwise to exercise all remedies thereunder, and, with respect to Property Agreements that are letters of credit, to make any draws thereon.

(g) All insurance or other settlement proceeds relating to or arising out of the foregoing, all proceeds of a sale of all or any portion of the foregoing, and all causes of action, claims, compensation, awards, damages, proceeds, payments, relief or recoveries, including interest thereon, as a result of any Casualty or Condemnation Event of all or any part of the Land

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and/or Improvements or for any damage or injury to it or for any loss or diminution in value of the Land and/or Improvements (collectively, the “**Proceeds**”).

(h) To the extent not included in the foregoing, all cash and non-cash proceeds, products, offspring, rents, revenues, issues, profits, royalties, income, benefits, additions, renewals, extensions, substitutions, replacements, and accessions of and to any and all of the foregoing.

TO HAVE AND TO HOLD the Property and the rights, remedies, and privileges hereby granted and conveyed unto Mortgagee forever, for the purpose of securing the due and punctual payment and performance of all of the Secured Obligations as and when the same becomes due and payable, whether at the stated maturity, by acceleration, or otherwise.

**Section 2.02 Secured Obligations.** This Mortgage is made and intended to secure the due and punctual payment and performance of all of the Secured Obligations as and when the same becomes due and payable, whether at the stated maturity, by acceleration, or otherwise.

**Section 2.03 Maximum Amount Secured.** The maximum aggregate principal amount of indebtedness that is or under any contingency may be secured by this Mortgage is FIVE HUNDRED THOUSAND AND 00/100 Dollars (\$500,000.00). All such amounts are secured by this Mortgage and are deemed part of the Secured Obligations.

## ARTICLE III ASSIGNMENT OF LEASES AND RENTS

### Section 3.01 Assignment of Leases and Rents.

(a) Mortgagor hereby absolutely, presently, irrevocably, and unconditionally grants, assigns, and transfers to Mortgagee all of Mortgagor’s present and future right, title, interest, and estate in, to and under all Leases and Rents, whether now owned or hereafter acquired and the absolute, present, irrevocable, and unconditional right to receive, collect, and possess all Rents.

(b) This Article 3 constitutes an absolute, present, irrevocable and unconditional assignment of Leases and Rents to Mortgagee and not merely a collateral assignment of, or the grant of a lien or security interest in or on, Leases and Rents. Such grant, assignment, and transfer shall not be construed to: (i) bind Mortgagee to the performance of any of the covenants, conditions, or provisions contained in any Lease or otherwise impose any obligation upon Mortgagee; or (ii) create, or operate to place or impose, any responsibility, obligation, or liability upon Mortgagee for: (A) the control, care, maintenance, management, or repair of the Property; (B) any dangerous or defective condition of the Property, including, without limitation, the presence of any environmental contamination or conditions; (C) any waste committed on the Property by any Person; and/or (D) any negligence in the management, upkeep, repair, or control of the Property.

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## Section 3.02 Revocable License.

(a) Notwithstanding the grant, assignment and transfer of Leases and Rents from Mortgagor to Mortgagee pursuant to Section 3.01, Mortgagee grants to Mortgagor a revocable license to collect and receive Rents as they become due, and to retain, use, and apply Rents to the payment of the Secured Obligations and to the costs and expenses incurred in connection with the operation and maintenance of the Property, and to exercise all rights as landlord under any Lease, in each case subject to the terms of this Mortgage and the other Loan Documents. After the occurrence and during the continuance of an Event of Default, Mortgagor shall collect and receive all such Rents as trustee for the benefit of Mortgagee.

(b) From and after the occurrence and during the continuance of any Event of Default:

(i) The revocable license granted to Mortgagor pursuant to Section 3.02(a) shall immediately and automatically, with or without notice from Mortgagee, cease and terminate and shall be void and of no further force or effect;

(ii) Mortgagee shall immediately and automatically be entitled to receive, collect, and possess all Rents (whether or not Mortgagee enters upon or takes control of the Property or has a receiver appointed for the Property or takes any other action), as hereinafter provided in this Mortgage;

(iii) Mortgagee may, at its sole option, notify in writing all tenants under Leases that all Rents due thereunder from and after the date of such notice shall be paid to Mortgagee at its address set forth in this Mortgage, or at such other place as Mortgagee shall notify Mortgagor or the tenants in writing; and

(iv) Any portion of Rents then or thereafter received or held by Mortgagor shall be payable immediately upon written demand to Mortgagee for application by Mortgagee, at its option, to the payment of the Secured Obligations and/or expenses in connection with the operation and maintenance of the Property.

(c) It is agreed that, if the Event of Default that gave rise to the termination of the revocable license pursuant to Section 3.02(a) is cured, then the revocable license granted pursuant to Section 3.02(a) shall be reinstated for so long as no other Event of Default shall occur and be continuing, subject to the provisions of this Section 3.02.

(d) Upon the occurrence and during the continuance of an Event of Default, Mortgagor agrees that, at Mortgagee's sole option from time to time, Mortgagee, and not Mortgagor, shall be deemed to be the creditor of each tenant under each Lease in respect of any and all assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution, or receivership proceedings affecting each tenant, with an option to apply in accordance with the Loan Documents any money received from such tenant in reduction of any amounts due under the Loan Documents. In each such case, Mortgagor at Mortgagee's direction shall be obligated to file or make timely filings of claims in such proceedings and to otherwise pursue creditor's rights in such proceedings.



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**Section 3.03 Certain Rights of Mortgagee.** From and after any revocation of the license granted pursuant to Section 3.02(a), Mortgagee shall, at its option and in addition to its other rights and remedies provided in this Mortgage and the other Loan Documents and/or at law or in equity, have the immediate and continuing right, power, and authority, either personally or by agent without bringing any foreclosure or other action or proceeding, or by a receiver appointed by a court and without the necessity of taking possession of the Property in its own name, and without the need for any other authorization or action by Mortgagor or Mortgagee, to take any or all of the following actions:

- (a) Notify any tenant or other person that Leases have been assigned to Mortgagee and that all Rents are to be paid directly to Mortgagee.
- (b) Settle, compromise, release, extend the time of payment for, and make allowances, adjustments, and discounts of, any Rents or other obligations in, to, and under Leases.
- (c) Lease all or any part of the Property and/or modify, amend, renew, or terminate any Leases.
- (d) Perform any and all obligations of Mortgagor under Leases and exercise any and all rights of Mortgagor therein contained to the full extent of Mortgagor's rights and obligations thereunder.

## ARTICLE IV SECURITY AGREEMENT AND FIXTURE FILING

**Section 4.01 Security Agreement.** This Mortgage shall also constitute a security agreement and fixture filing within the meaning of the UCC with respect to all of Mortgagor's present and future estate, right, title, and interest in, to, and under the Fixtures and Equipment and any portion of the Property that is not real property (the "**Personal Property**"). Mortgagor hereby grants to Mortgagee a security interest in and to the Personal Property and the Fixtures and Equipment and every component thereof, and hereby transfers and assigns to Mortgagee all of Mortgagor's present and future estate, right, title, and interest in, to, and under the Personal Property and the Fixtures and Equipment and every component thereof, to secure the due and punctual payment and performance of all of the Secured Obligations as and when the same becomes due and payable, whether at the stated maturity, by acceleration or otherwise. With respect to the Fixtures and Equipment, upon the occurrence and during the continuance of an Event of Default, Mortgagee shall also have the right: (a) to proceed against the Fixtures and Equipment in accordance with Mortgagee's rights and remedies with respect to the Land, in which event the provisions of the UCC shall not govern the default and Mortgagee's remedies; or (b) to proceed against the Fixtures and Equipment separately from the Land in accordance with the UCC. If Mortgagee elects to proceed under the UCC, then thirty (30) days' notice of sale of the Personal Property and/or the Fixtures and Equipment shall be deemed reasonable notice and the reasonable expenses of retaking, holding, preparing for sale, selling, and the like incurred by Mortgagee shall include, but not be limited to, reasonable attorneys' fees and expenses. At Mortgagee's request, Mortgagor shall assemble the Personal Property and make it available to Mortgagee at a place designated by Mortgagee which is reasonably convenient to both parties. Mortgagor hereby authorizes Mortgagee to file financing and continuation statements under the UCC in such filing offices as may be

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necessary, advisable, or required by law in order to create, establish, perfect, preserve, and protect the security interest hereunder.

**Section 4.02 Fixture Filing.** To the extent permitted under applicable law, the filing or recording of this Mortgage is intended to and will constitute a fixture filing with respect to that portion of the Property which is or is to become Fixtures and Equipment. The “**Secured Party**” is Mortgagee and the “**Debtor**” is Mortgagor. The name, type of organization, jurisdiction of organization, and mailing addresses of the Secured Party and of the Debtor are set out in the preamble to this Mortgage. The land to which the Fixtures and Equipment are related is the Land, and Mortgagor is the record owner of the Land. Mortgagor hereby irrevocably authorizes Mortgagee at any time, and from time to time, to file in any jurisdiction any initial financing statements and amendments thereto that (i) indicate the collateral as “all assets” of Mortgagor (or words of similar effect), regardless of whether any particular asset comprised in the collateral falls within the scope of Article 9 of the Uniform Commercial Code, as amended, or the jurisdiction wherein such financing statement or amendment is filed, or as being of an equal or lesser scope or within greater detail, and (ii) contain any other information required by Section 5 of Article 9 of the Uniform Commercial Code, as amended, of the jurisdiction wherein such financing statement or amendment is filed regarding the sufficiency or filing office acceptance of any financing statement or amendment, including whether Mortgagor is an organization, the type of organization, and any organization identification number issued to Mortgagor, and in the case of a financing statement filed as a fixture filing or indicating collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the collateral relates. Mortgagor agrees to furnish any such information to Mortgagee promptly upon request. Mortgagor further ratifies and affirms its authorization for any financing statements and/or amendments thereto, executed and filed by Mortgagee in any jurisdiction prior to the date of this Mortgage. Where collateral is in possession of a third party Mortgagor will join with the Mortgagee in notifying the third party of the Mortgagee’s interest and obtaining an acknowledgment from the third party that it is holding the collateral for the benefit of Mortgagee and Mortgagor will cooperate with the Mortgagee in obtaining control with respect to collateral consisting of: deposit accounts, investment property, letter of credit rights, and electronic chattel paper. Until the Loan is paid in full, Mortgagor will not change the state where it is located or change its name without giving the Mortgagee at least 30 days’ prior written notice in each instance.

**Section 4.03 Other Security Agreement, Harmonization of Conflicts.** If Mortgagor has executed and delivered to Mortgagee one or more separate security agreements in connection with the Secured Obligations, such security agreements and the security interests created thereby are in addition to and not in substitution of this Mortgage and the liens and security interests created hereby, and this Mortgage shall be in addition to and not in substitution of such security agreements and security interests. In all cases, this Mortgage and the aforesaid security agreements shall be applied and enforced in harmony with and in conjunction with each other to the end that Mortgagee realizes fully upon its rights and remedies in each and the liens and security interests created by each. If conflicts exist among this Mortgage and such other security agreements, Mortgagee may elect which of such instruments govern with respect to each category of Property encumbered hereby and thereby.

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## ARTICLE V MORTGAGOR'S COVENANTS

### Section 5.01 Mortgagor's Covenants.

(a) Mortgagor shall not sell, transfer, convey, lease, let, mortgage, pledge, encumber, create, or permit a lien on or security interest in, or otherwise hypothecate all or any part of the Property except for (i) Permitted Exceptions and (ii) other liens, encumbrances, and transfers expressly permitted under the Loan Agreement and Note.

(b) Mortgagor shall forever warrant and defend the title to the Property unto Mortgagee against the claims of all persons whomsoever in accordance with the terms of the Loan Agreement and Note.

(c) Mortgagor shall perform and pay to Mortgagee the Secured Obligations with interest thereon as and when the same becomes due and payable in accordance with the terms thereof and shall perform and comply with all of the covenants and provisions of the Loan Agreement and Note, which are incorporated herein by this reference.

## ARTICLE VI REMEDIES

**Section 6.01 Remedies Following Event of Default.** Upon the occurrence and during the continuance of an Event of Default, in addition to any other rights, remedies, and powers that Mortgagee may have under the other Loan Documents or as provided by law, Mortgagee (either personally or by its agents, nominees, or attorneys) may immediately take such action, without notice or demand, as it deems advisable to protect and enforce the lien and security interest hereof and its rights hereunder, including without limitation the following actions, each of which may be pursued in its own name or in the name of Mortgagor, concurrently or otherwise, at such time and in such manner as Mortgagee may determine in its sole discretion, without impairing or otherwise affecting the other rights, remedies, and powers of Mortgagee:

(a) Entry and Possession. (i) Enter upon and take possession of the Property, with or without the appointment of a Receiver or an application therefor; (ii) dispossess and exclude Mortgagor and its agents and servants wholly therefrom by summary proceedings or otherwise; (iii) take possession of all books, records, and accounts relating thereto; (iv) use, operate, manage, control, insure, maintain, repair, restore, improve, alter, and otherwise deal with all and every part of the Property and conduct the business thereat; (v) make, cancel, enforce, or modify Leases and obtain and evict tenants; (vi) demand, sue for, collect, and receive the rents, incomes, issues, and profits of the Property and apply the same, after payment of all charges and expenses (including reasonable attorneys' fees and expenses), on account of the Secured Obligations; or (vii) require Mortgagor to transfer and assign to Mortgagee, in form satisfactory to Mortgagee, Mortgagor's interest as lessor in any Lease now or hereafter affecting the whole or any part of the Property, it being understood that in the event Mortgagor fails to render an assignment of Leases to Mortgagee this document shall upon the occurrence of any Event of Default serve as a de facto notice of such assignment to any interested party.

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(b) Payment of Sums. Pay any sums in any form or manner deemed expedient by Mortgagee to protect the lien and security interest of this Mortgage or to cure any Event of Default other than payment of principal of or interest on the Secured Indebtedness; make any payment hereby authorized to be made according to any bill, statement, or estimate furnished or procured from the appropriate public officer or the party claiming payment without inquiry into the accuracy or validity thereof, and the receipt of any such public officer or party in the hands of Mortgagee shall be conclusive evidence of the validity and amount of items so paid, in which event the amounts so paid, with interest thereon from the date of such payment at the Default Rate shall be added to and become a part of the Secured Indebtedness and be immediately due and payable to Mortgagee; and Mortgagee shall be subrogated to any encumbrance, lien, claim, or demand, and to all the rights and securities for the payment thereof, paid or discharged with the principal sum secured hereby or by Mortgagee under the provisions hereof, and any such subrogation rights shall be additional and cumulative security to this instrument.

(c) Acceleration. Declare the entire Secured Indebtedness immediately due, payable, and collectible, regardless of maturity, and, in that event, the entire Secured Indebtedness shall become immediately due, payable, and collectible; and thereupon Mortgagee may institute proceedings to foreclose this Mortgage by judicial action, or to enforce its provisions or any of the indebtedness or obligations secured by this Mortgage.

(d) Foreclosure Sale. Institute a foreclosure action in accordance with the laws of the state in which the Property is located, or take any other action as may be allowed, at law or in equity, for the enforcement of the Secured Obligations and realization on the Property (or such part or parts thereof as Mortgagee may from time to time elect to foreclose upon) or any other security afforded by the Loan Documents. Mortgagee may proceed to final judgment and execution for the amount of the Secured Indebtedness owed as of the date of the judgment, together with all costs of suit, reasonable attorneys' fees, and interest on the judgment at the maximum rate permitted by law from the date of the judgment until paid. If Mortgagee is the purchaser at the foreclosure sale of the Property, in lieu of paying cash Mortgagee may make settlement for all or a portion of the purchase price by crediting the net sale proceeds (after deducting costs expenses including reasonable attorneys' fees and expenses) against the Secured Obligations.

(e) Deficiency Judgment. If permitted by applicable law, Mortgagee may sue for and obtain a judgment for any deficiency remaining in the Secured Indebtedness after applications of all amounts received from the exercise of the rights provided in Section 6.01(d).

(f) Other Rights. Exercise any and all rights, remedies, and powers accruing to a secured party under this Mortgage, the other Loan Documents, the UCC, or any other applicable law or available in equity.

**Section 6.02 Sale in Parcels.** In any action to foreclose this Mortgage, at the election of Mortgagee the Property or any part thereof may be sold together or separately, in one sale or separate sales, in one parcel and as an entirety, or in such parcels, manner or order as Mortgagee in its sole discretion may elect, and one or more exercises of the rights and powers herein granted shall not extinguish or exhaust Mortgagee's rights and powers unless the entire Property is sold or the Secured Indebtedness is paid in full.

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**Section 6.03 Receiver.** In any action to foreclose this Mortgage, or upon the occurrence and during the continuance of an Event of Default, Mortgagee shall have the right to apply for the appointment of a receiver, trustee, liquidator, or conservator (a “Receiver”) of the rents and profits or of the Property or both without notice, and shall be entitled to the appointment of such a Receiver as a matter of right, without consideration of the value of the Property as security for the amounts due Mortgagee, or the solvency of any person or entity liable for the payment of such amounts. Mortgagor hereby consents to such appointment and waives notice of any application therefor (except as may be required by applicable law).

**Section 6.04 Mortgage’s Right to Sue.** Mortgagee shall have the right from time to time to sue for any sums, whether interest, principal or any installment of either or both, taxes, penalties, or any other sums required to be paid under the terms of this Mortgage, without regard to whether or not all of the Secured Indebtedness shall be due on demand and without prejudice to the right of Mortgagee thereafter to enforce any appropriate remedy against Mortgagor, including an action of foreclosure, or any other action, for a default or defaults by Mortgagor existing at the time such earlier action was commenced.

**Section 6.05 No Obligation to Marshal Assets.** In exercising its rights and remedies hereunder, Mortgagee shall have no obligation whatsoever to marshal assets, or to realize upon all of the Property. Mortgagee shall have the right to realize upon all or any part of the Property from time to time as Mortgagee deems appropriate. Mortgagor hereby waives any right to have any of the Property marshaled in connection with any sale or other exercise of Mortgagee’s rights, remedies, and powers hereunder.

**Section 6.06 Remedies Cumulative.** The rights, powers, and remedies of Mortgagee granted and arising under this Mortgage and the other Loan Documents are separate, distinct, and cumulative of other rights, powers, and remedies granted herein or therein and all other rights, powers, and remedies that Mortgagee may have at law or in equity, none of which are to the exclusion of the others and all of which are cumulative to the rights, powers, and remedies provided at law for the collection of indebtedness, enforcement of rights under mortgages, and preservation of security. No act of Mortgagee shall be construed as an election to proceed under any one provision herein or under the Loan Agreement and Note, this Mortgage, or any other Loan Document to the exclusion of any other provision, or an election of remedies to the bar of any other remedy allowed at law or in equity, anything herein, or otherwise to the contrary notwithstanding.

**Section 6.07 Discontinuance of Proceedings.** If Mortgagee commences the enforcement of any right, power, or remedy, whether afforded under this Mortgage or otherwise, and including without limitation foreclosure or entry upon the Property, and such enforcement is then discontinued or abandoned for any reason, or is determined adversely to Mortgagee, then and in every such case Mortgagor and Mortgagee shall be restored to their former positions and rights hereunder, without waiver of any Event of Default and without novation, and all rights, powers, and remedies of Mortgagee shall continue as if no such enforcement had been commenced.

**Section 6.08 Expenses.** Mortgagor shall reimburse Mortgagee on demand for all reasonable out-of-pocket costs, fees, and expenses (including reasonable expenses and fees of its counsel) incurred by Mortgagee in connection with the transactions contemplated hereby including the negotiation, documentation, and execution of this Mortgage and the other Loan Documents and the enforcement of

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Mortgage's rights, powers, or remedies hereunder, thereunder, or available under applicable law, all of which sums are part of the Secured Indebtedness and are secured by this Mortgage. Mortgagor's statutory rights of reinstatement, if any, are expressly conditioned upon Mortgagor's payment of the foregoing and of all sums required under any applicable reinstatement statute and performance of all required acts thereunder.

**Section 6.09 Mortgagor's Waivers.** To the fullest extent permitted by law, Mortgagor, for Mortgagor and its successors and assigns, and for any and all persons ever claiming any interest in the Property, except as otherwise provided herein or in the other Loan Documents, hereby:

(a) Waives any and all rights which it may have to notice prior to seizure by Mortgagee of the Property or any part thereof under the provisions of this Mortgage, whether such seizure is by writ of possession or otherwise.

(b) Waives and renounces all right of homestead exemption in the Property and any other right to designate all or any portion of the Property as exempt from forced sale under any provision of the Constitution or laws of the United States, the state where the Land and Improvements are located, or any other state in the United States.

(c) Acknowledges the right to accelerate the Secured Indebtedness and the power given to Mortgagee to sell the Property by foreclosure without any notice other than such notice (if any) as is specifically required to be given hereunder or under applicable law and waives presentment, demand for payment, protest, notice of dishonor, notice of protest, or nonpayment, notice of intent to accelerate, notice of acceleration of maturity and diligence in connection with the enforcement of the Secured Indebtedness or the taking of any action to collect sums owing under the Loan Documents.

(d) Waives the benefit of all laws now or subsequently in effect providing for: (i) any appraisal before sale of any portion of the Property; (ii) any extension of the time for the enforcement of the collection of the Secured Indebtedness or the creation or extension of a period of redemption from any sale made in collecting such debt; and (iii) exemption of the Property from attachment, levy, or sale under execution or exemption from civil process.

(e) Agrees not at any time to insist upon, plead, claim, or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay, exemption, extension or redemption, or requiring foreclosure of this Mortgage before exercising any other remedy granted hereunder.

(f) Waives any right to retain possession of the Property during the continuation of an Event of Default and all rights of redemption from sale under any order or decree of full or partial foreclosure.

**Section 6.10 Right of Set-off.** In addition to any rights, remedies, or powers now or hereafter granted under applicable law and not by way of limitation of any such rights, Mortgagee is hereby authorized by Mortgagor at any time or from time to time, without notice to Mortgagor, any other Obligor or any other person, any such notice being hereby expressly waived, to set-off any obligations or liabilities any time held or owing by Mortgagee to or for the credit or the account of Mortgagor or any other Obligor against the Secured Obligations and any other obligations and liabilities of Mortgagor or

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any such Obligor to Mortgagee, including, but not limited to, all claims of any nature or description arising out of or connected with this Mortgage, the Loan Agreement and Note, or any other Loan Document, irrespective of whether or not Mortgagee has made any demand hereunder or has declared the Secured Indebtedness to be due and owing and although said obligations and liabilities, or any of them, may be contingent or not matured.

**Section 6.11 Right to Cure Violations.** If Mortgagor or Mortgagee receives notice of a current or pending violation of any applicable law, rule, regulation, ordinance, code, requirements, covenants, conditions, restrictions, orders, licenses, permits, or approvals related to the maintenance, repair, replacement, nuisance, or other condition of the Property or any Improvements or tangible property thereon (a “**Compliance Notice**”) and: (a) an Event of Default has occurred and is continuing; or (b) such violation in the reasonable good faith judgment of Mortgagee is likely to have a material adverse effect on its rights and remedies under this Mortgage or on the value of the Property, then Mortgagee and any person authorized by Mortgagee shall have the right, but not the obligation, to enter upon the Property at any reasonable time to repair, alter, replace, clean up, or perform any necessary or appropriate work or maintenance activities that, in Mortgagee’s sole discretion, are necessary or advisable to comply with the requirements of the Compliance Notice and cure the alleged, possible, or pending violation. Mortgagee shall have the right to remove any tangible property, motor vehicles, rubbish, stored materials, debris, refuse, trash, or other items on the Property and to dispose of the same as Mortgagee may determine in its sole discretion without being deemed guilty of trespass or theft of such items.

**Section 6.12 Application of Proceeds** The proceeds of the Property, together with any other sums that may be held by Mortgagee under this Mortgage, whether under the provisions of this Article VI or otherwise, shall be applied in same manner as is provided for the application of proceeds pursuant to the Loan Agreement and Note.

## ARTICLE VII MISCELLANEOUS

**Section 7.01 Amendments, Extensions, and Modifications.** This Mortgage may not be amended, supplemented, or otherwise modified except in accordance with the Loan Agreement and Note. No amendment, supplement, or other modification of this Mortgage shall be effective unless it is in writing and executed by Mortgagor and Mortgagee.

**Section 7.02 Counterparts; Entire Agreement.** This Mortgage and any amendments, waivers, consents, or supplements hereto may be executed in counterparts, each of which shall constitute an original, but all taken together shall constitute a single contract. This Mortgage and the other Loan Documents constitute the entire contract of Mortgagor and Mortgagee with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto. Delivery of an executed counterpart of a signature page to this Mortgage and the Loan Documents or any amendment, modification, or supplement thereto by facsimile or in electronic (e.g., “pdf” or “tif”) format shall be effective as delivery of a manually executed counterpart of this Mortgage and the Loan Documents.

**Section 7.03 Successors and Assigns.** This Mortgage may be assigned or transferred, in whole or in part, by Mortgagee to any person at any time without notice to or the consent of Mortgagor.

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Mortgagor may not assign or transfer this Mortgage or any of its rights hereunder without the prior written consent of Mortgagee. This Mortgage shall inure to the benefit of and be binding upon the parties hereto and their permitted assigns. The terms "Mortgagor" and "Mortgagee" shall include the legal representatives, heirs, executors, administrators, successors, and assigns of the parties hereto, and all those holding under either of them. The term "Mortgagee" shall include any payee of the Secured Indebtedness and any transferee or assignee thereof, whether by operation of law or otherwise.

**Section 7.04 No Merger.** In the event that Mortgagee's interest under this Mortgage and title to the Property or any estate therein shall become vested in the same person or entity, this Mortgage shall not merge in such title but shall continue as a valid lien on the Property for the amount secured hereby, unless expressly provided otherwise in writing executed by the person in whom such interests, title, and estate are vested.

**Section 7.05 Relationship of Parties.** The relationship of Mortgagee to Mortgagor is that of a creditor or lender to an obligor (inclusive of a person obligated on a supporting obligation) or debtor; and in furtherance thereof and in explanation thereof, Mortgagee has no fiduciary, trust, advisor, business consultant, guardian, representative, partnership, joint venture, or other similar relationship to or with Mortgagor and no such relationship shall be drawn or implied from this Mortgage or any of Mortgagee's actions or inactions hereunder or with respect hereto or from any prior relationship between the parties. Mortgagee has no obligation to Mortgagor or any other person relative to administration of the Secured Obligations or the Property, or any part or parts thereof.

**Section 7.06 Commercial Transaction.** The interest of Mortgagee under this Mortgage and the liability and obligation of Mortgagor for the payment and performance of the Secured Obligations arise from a commercial transaction.

**Section 7.07 Defined Terms; Rules of Construction.** Any rules of construction set forth in the Loan Agreement and Note apply to this Mortgage and are incorporated herein, *mutatis mutandis*, by this reference.

**Section 7.08 Joint and Several Liability.** If more than one party executes this Mortgage as a mortgagor, the term "Mortgagor" means all parties signing, and each of them, and each agreement, obligation and Secured Obligations of Mortgagor shall be and mean the several as well as joint undertaking of each of them.

**Section 7.09 Headings.** The headings of the various articles, sections and subsections in this Mortgage are for reference only and shall not define, expand, or limit any of the terms or provision hereof.

**Section 7.10 Severability.** If any term or provision of this Mortgage is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of the Loan Agreement and Note or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon any determination that any term or other provision hereof is invalid, illegal, or unenforceable, Mortgagor and Mortgagee shall negotiate in good faith to modify this Mortgage so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.



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**Section 7.11 Governing Law.** This Mortgage and any claim, controversy, dispute, or cause of action (whether in contract, equity, tort, or otherwise) based upon, arising out of or relating to this Mortgage and the transactions contemplated hereby shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to principles of conflicts of law, provided, however, that any claim, controversy, dispute, or cause of action based upon, arising out of, or relating to the creation, perfection, priority, or enforcement of the lien and security interest of this Mortgage shall be governed by and construed in accordance with the laws of the state where the Land and Improvements are located, without regard to principles of conflicts of law. Mortgagor acknowledges that the Loan Agreement and Note and one or more of the other Loan Documents are governed and construed in accordance with the laws of the State of Illinois, without regard to principles of conflicts of law.

**Section 7.12 Submission to Jurisdiction.**

(a) Mortgagor hereby irrevocably and unconditionally: (i) agrees that any legal action, suit, or proceeding arising out of or relating to this Mortgage may be brought in the courts of the State of Illinois or of the United States of America for the Northern District of Illinois; and (ii) submits to the jurisdiction of any such court in any such action, suit, or proceeding. Final judgment against Mortgagor in any action, suit, or proceeding shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment.

(b) Nothing in this Section 7.12 shall affect the right of Mortgagee to: (i) commence legal proceedings or otherwise sue Mortgagor in any other court having jurisdiction over Mortgagor; or (ii) serve process upon Mortgagor in any manner authorized by the laws of any such jurisdiction.

**Section 7.13 Waiver of Venue.** Mortgagor hereby irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Mortgage or the Secured Obligations in any court referred to in Section 7.12 and the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

**Section 7.14 Waiver of Jury Trial.** MORTGAGOR HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS MORTGAGE, THE OTHER LOAN DOCUMENTS, THE SECURED OBLIGATIONS, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY WHETHER BASED ON CONTRACT, EQUITY, TORT, OR ANY OTHER THEORY.

**Section 7.15 Notices.** Unless specifically stated otherwise in this Mortgage, all notices, requests, and communications required or permitted to be delivered hereunder shall be in writing and delivered to all persons at the addresses separately provided by each pof Mortgagor and Mortgagee in writing, by one of the following methods:

(a) Hand delivery, whereby delivery is deemed to have occurred at the time of delivery.

(b) A nationally recognized overnight courier company, whereby delivery is deemed to have occurred the business day following deposit with the courier.

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(c) Registered United States Mail, signature required, and postage-prepaid, whereby delivery is deemed to have occurred on the third business day following deposit with the United States Postal Service.

(d) Electronic transmission (facsimile or email) provided that the transmission is completed no later than 5:00 p.m. on a business day and the original also is sent via overnight courier or U.S. Mail, whereby delivery is deemed to have occurred at the end of the business day on which electronic transmission is completed.

Any party may change its address for purposes of this Section 7.15 by giving written notice as provided in this Section 7.15. All notices and demands delivered by a party's attorney on a party's behalf shall be deemed to have been delivered by said party. Notices shall be valid only if served in the manner provided in this Section 7.15.

**Section 7.16 No Waiver; No Course of Dealing; No Invalidity.** No failure to exercise and no delay in exercising on the part of Mortgagee of any right, remedy, or power hereunder or rights, remedies, and powers otherwise provided by law or available in equity shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any Event of Default or if any subsequent Event of Default occurs, nor shall any single or partial exercise of any right, remedy, or power hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, or power. No act or inaction of Mortgagee under this Mortgage shall be deemed to constitute or establish a "course of performance or dealing" that would require Mortgagee to so act or refrain from acting in any particular manner at a later time under similar or dissimilar circumstances. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid to the maximum extent allowed under applicable law.

## **Section 7.17 Release of Mortgage.**

(a) Release on Satisfaction of Secured Obligations. If at any time during the period of this Mortgage the Secured Obligations has been paid and performed in full, no indebtedness remains outstanding under the Loan Documents, and Mortgagee has no further obligation under the Loan Documents to make any additional advances to Mortgagor, then Mortgagee will, upon written request of Mortgagor and at Mortgagor's cost and expense (including, without limitation, reasonable attorneys' fees and expenses), execute and deliver to Mortgagor a release, reconveyance, satisfaction, or cancellation (a "**Release**") of this Mortgage and such other documentation (including without limitation UCC-3 termination statements) as may be reasonably necessary to effectuate the release and termination of Mortgagee's liens and security interests on the Property.

(b) Release on Sale or Transfer of Mortgaged Property. If the Property or any portion thereof is sold or otherwise transferred in accordance with the provisions of the Loan Agreement and Note, then Mortgagee will, upon written request of Mortgagor and at Mortgagor's cost and expense (including, without limitation, reasonable attorneys' fees and expenses), execute and deliver to Mortgagor a Release of this Mortgage with respect to such portion of the Property as is so sold or transferred and such other documentation (including without limitation UCC-3 termination statements) as may be reasonably necessary to effectuate the release and termination of Mortgagee's liens and security interests on such portion of the Property. In connection with

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any such release that is a partial release, Mortgagor shall, at the reasonable request of Mortgagee, deliver or cause to be delivered to Mortgagee an endorsement to the Mortgagee's title insurance policy, an updated survey showing the portion of the Land and Improvements that remain subject to the lien of the Mortgage and such other documentation as Mortgagee may reasonably request in order to insure the continued validity, enforceability, and perfection of its lien and security interest on the portion of Property not intended to be released from the Mortgagee's lien and security interest.

(c) Compliance with Applicable Laws. The foregoing provisions relating to the release, reconveyance, satisfaction, or cancellation of this Mortgage shall not be deemed or construed to supersede any obligation of Mortgagee to cause the release, reconveyance, satisfaction, or cancellation of this Mortgage that may be addressed by applicable law of the state in which the Land and Improvements are located, and it is expressly declared to be the intention and agreement of Mortgagee to comply with the requirements of applicable law with respect to such obligation.

**Section 7.18 After-Acquired Property.** This Mortgage shall encumber, encompass, cover, and apply to and include any and all "after-acquired property" of Mortgagor located at, adjacent, or adjoining to or in any way associated with the use or operation of Property, and such after-acquired property shall be a part of the Property. In furtherance of the foregoing, Mortgagor has given, granted, bargained, sold, and conveyed, and by these presents does give, grant, bargain, sell, and convey unto Mortgagee all of Mortgagor's right, title, and interest in and to said after-acquired property. The after-acquired property identified by Mortgagee from time to time may also be identified in a notice of extension filed in the real property records in which this Mortgage is recorded or in any other county in which the after-acquired property is located. Mortgagor agrees that Mortgagee has the absolute, irrevocable right and power, which right and power is coupled with an interest, to file one or more notices of extension, and that all after-acquired property of Mortgagor identified by Mortgagee, whether through a notice of extension or otherwise, shall secure the due and punctual payment and performance of all of the Secured Indebtedness as and when the same becomes due and payable, with interest (including Post-Petition Interest) thereon, and all renewals, extensions, renewals, rearrangements, modifications, replacements, amendments, amendments, and restatements, or supplements thereof. This Section 7.18 is intended to be and is an "after-acquired property clause" and shall be construed in accordance with the provisions of, applicable law of the state in which the Land and Improvements are located that authorizes or governs after-acquired property clauses in mortgage.

## ARTICLE VIII STATE-SPECIFIC PROVISIONS

**Section 8.01 State-Specific Provisions Control.** In the event of any conflict between the terms and provisions set forth in this Article VIII and the other terms and provisions of this Mortgage, this Article VIII shall control.

**Section 8.02 State-Specific Provisions.** With respect to the Property which is located in the State of Illinois, notwithstanding anything contained herein to the contrary:

(a) To the extent permitted by applicable law, all advances, disbursements, and expenditures made by Mortgagee before and during foreclosure, prior to sale, and where

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applicable, after sale, for the following purposes, including interest thereon at the Default Rate, are hereinafter referred to as “**Protective Advances**” and shall constitute additional indebtedness hereunder and shall be secured by the lien hereof:

(i) any amount for restoration or rebuilding in excess of the actual or estimated proceeds of insurance or condemnation award for the purpose of such repair or replacement;

(ii) advances in accordance with the terms of this Mortgage to: (A) protect, preserve, or restore the Property; (B) preserve the lien of this Mortgage or the priority thereof; or (C) enforce this Mortgage, as referred to in Section 735 ILCS 5/15-1302(b)(5) of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101 to 5/15-1706, as amended from time to time (the “**Act**”);

(iii) payments: (A) when due of installments of principal, interest, or other obligations in accordance with the terms of any lien or encumbrance which may have priority over this Mortgage, in full or in part; (B) when due installments of real estate taxes and other Impositions; (C) other obligations authorized by this Mortgage; or (D) with court approval any other amounts in connection with other liens, encumbrances, or interests reasonably necessary to preserve the status of title, all as referred to in Section 735 ILCS 15-1505 of the Act;

(iv) reasonable out-of-pocket attorneys’ fees and other reasonable out-of-pocket costs actually incurred in connection with the foreclosure of this Mortgage as referred to in Sections 735 ILCS 5/15-1504 and 735 ILCS 5/15-1510 of the Act and in connection with any other litigation or administrative proceeding to which the Mortgagee may be or become or be threatened or contemplated to be a party, including probate and bankruptcy proceedings, or in the preparation for the commencement or defense of any such suit or proceeding; including, but not limited to, filing fees, appraisers’ fees, outlays for documents and expert evidence, witness fees, stenographer’s charges, publication costs, and reasonable out-of-pocket costs (which may be estimated as to items to be expended after entry of judgment) of procuring all such abstracts of title, title charges, and examinations, foreclosure minutes, title insurance policies, appraisals, and similar data and assurances with respect to title and value as Mortgagee may deem necessary either to prosecute or defend such suit or, in case of foreclosure, to evidence to bidders at any sale which may be had pursuant to the foreclosure judgment the true condition of the title to or the value of the Property;

(v) Mortgagee’s reasonable out-of-pocket fees and costs arising between the entry of judgment of foreclosure and the confirmation hearing as referred to in Section 735 ILCS 5/15-1508(b)(1) of the Act;

(vi) payment by Mortgagee of taxes and assessments as required of Mortgagor pursuant to the Loan Agreement and Note or this Mortgage;

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(vii) reasonable out-of-pocket expenses deductible from proceeds of sale referred to in Sections 735 ILCS 5/15-1512(a) and 735 ILCS 5/15-1512(b) of the Act; and

(viii) reasonable out-of-pocket expenses incurred and expenditures made by Mortgagee for any one or more of the following: (A) premiums upon casualty and liability insurance made by Mortgagee whether or not Mortgagee or Receiver is in possession, if reasonably required, without regard to the limitation to maintaining of insurance in effect at the time any receiver or mortgagee takes possession of the Property imposed by Section 735 ILCS 5/15-1704(c)(1) of the Act; (B) payments required or deemed by Mortgagee to be for the benefit of the Property or required to be made by the owner of the Property under any grant or declaration of easement, easement agreement, reciprocal easement agreement, agreement with any adjoining land owners, or other instruments creating covenants or restrictions for the benefit of or affecting the Property; (C) shared or common expense assessments payable to any association or corporation in which the owner of the premises is a member in any way affecting the Property; (D) operating deficits incurred by Mortgagee in possession or reimbursed by Mortgagee to any Receiver; (E) out-of-pocket fees and costs incurred to obtain an environmental assessment report relating to the Property; and (F) any monies expended in excess of the face amount of the Loan Agreement and Note.

(b) This 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 Section 735 ILCS 5/15-1302(b)(5) of the Act.

(c) If an Event of Default has occurred, or when the outstanding indebtedness hereby secured, or any part thereof, shall become due and payable, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for such indebtedness or part thereof and pursue all remedies afforded to a mortgagee under and pursuant to the Act.

(d) The proceeds of any foreclosure sale of the Property shall be distributed and applied in accordance with the provisions of Section 735 ILCS 5/15-1512 of the Act. The judgment of foreclosure or order confirming the sale shall provide (after application pursuant to Subsections (a) and (b) of said Section 735 ILCS 5/15-1512) for application of sale proceeds in the following order of priority: first, all items not covered by the provisions of said Subsections (a) and (b), which under the terms hereof constitute Secured Indebtedness in addition to that evidenced by the Loan Agreement and Note, with interest thereon as herein provided; and second, all principal and interest remaining unpaid on the Loan Agreement and Note.

(e) Upon, or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed shall appoint a Receiver of the Property whenever Mortgagee, when entitled to possession, so requests pursuant to Section 735 ILCS 5/15-1702(a) of the Act or when such appointment is otherwise authorized by operation of law. Such Receiver shall have all powers and duties prescribed by Section 735 ILCS 5/15-1704 and 735 ILCS 5/15-1701 of the Act. In addition, such Receiver shall also have the following powers: (i) to extend or modify any then existing Leases, which extensions and modifications may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of

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the indebtedness hereunder and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such Leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Property are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption, discharge of the mortgage indebtedness, satisfaction of any foreclosure judgment, or issuance of any certificate of sale or deed to any purchaser; and (ii) all other powers which may be necessary or are usual in such cases for the protection, possession, control, management, and operation of the Property during the whole of the period of receivership. The court from time to time, either before or after entry of judgment of foreclosure, may authorize the Receiver to apply the net income in the Receiver's hands in payment in whole or in part of: (i) the indebtedness secured hereby or by or included in any judgment of foreclosure or supplemental judgment or other item for which Mortgagee is authorized to make a Protective Advance; and (ii) the deficiency in case of a sale and deficiency.

(f) In any case in which under the provisions of this Mortgage the Mortgagee has a right to institute foreclosure proceedings, whether before or after the whole principal sum secured hereby is declared to be immediately due as aforesaid, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after judgment thereunder, and at all times until confirmation of sale, Mortgagor shall forthwith, upon demand of Mortgagee, surrender to Mortgagee and Mortgagee shall be entitled to take and upon Mortgagee's request to the court to be placed in actual possession of, Mortgagee shall be placed in possession of the Property or any part thereof, personally, or by its agent or attorneys as provided in Sections 735 ILCS 5/15-1701(o)(?) and 735 ILCS 5/15-1701(c) of the Act. In such event Mortgagee in its reasonable discretion may enter upon and take and maintain or may apply to the court in which a foreclosure is pending to be placed in possession of all or any part of said Property, together with all documents, books, records, papers, and accounts of Mortgagor or then owner of the Property relating thereto, and may exclude Mortgagor, its agents or servants, wholly therefrom and may, as attorney in fact or agent of Mortgagor, or in its own name as Mortgagee and under the powers herein granted, hold, operate, manage, and control the Property and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its reasonable discretion or in the reasonable discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the Property, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, and with full power: (a) to cancel or terminate any Lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same; (b) to elect to disaffirm any Lease or sublease which is then subordinate to the lien hereof; (c) to extend or modify any then existing Leases and to make new Leases, which extensions, modifications, and new Leases may provide for terms to expire, or for options to Lessees to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such Leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Property are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the Mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; (d) to enter into any management, leasing, or brokerage agreements covering the Property; (e) to make all necessary or proper repairs, decorating,

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renewals, replacements, alterations, additions, betterments, and improvements to the Property as to it may deem judicious; (f) to insure and reinsure the same and all risks incidental to Mortgagee's possession, operation, and management thereof; and (g) to receive all of such avails, rents, issues, and profits, hereby granting full power and authority to exercise each and every of the rights, privileges, and powers herein granted at any and all times hereafter. Without limiting the generality of the foregoing provisions of this Section, Mortgagee shall also have all power, authority, and duties as provided in Section 735 ILCS 5/15-1703 of the Act.

(g) Mortgagor acknowledges that the Property does not constitute agricultural real estate, as said term is defined in Section 735 ILCS 5/15-1201 of the Act or residential real estate as defined in Section 735 ILCS 5/15-1219 of the Act. Mortgagor hereby waives any and all rights of redemption from sale under any judgment of foreclosure of this Mortgage on behalf of Mortgagor and on behalf of each and every person acquiring any interest in or title to the Property of any nature whatsoever, subsequent to the date of this Mortgage. The foregoing waiver of right of redemption is made pursuant to the provisions of Section 735 ILCS 5/15-1601(b) of the Act.

(h) The business being operated on the Property is a commercial enterprise being carried on by the Mortgagor for the purpose of profit. All proceeds of the Loan will be used by the Mortgagor solely for their own business purposes and in furtherance of Mortgagor's regular business affairs. The Loan proceeds shall, furthermore, be used for the purposes specified in 815 ILCS 205/4(1)(a) or 815 ILCS 205/4(1)(c) as well as loans secured by a mortgage on real estate which comes within the purview of 815 ILCS 205/4(1)(l). The Loan constitutes a "business loan" within the purview of that Section. The Loan proceeds shall not be used for the purchase of registered equity securities within the purview of Regulation "U" issued by the Board of Governors of the Federal Reserve System.

(i) As required pursuant to the Collateral Protection Act, 815 ILCS 180/10(3) ("**Collateral Protection Act**"), Mortgagor is hereby notified that in the event Mortgagor fails to provide, maintain, keep in force, or deliver and furnish to Mortgagee the policies of insurance required by this Mortgage or evidence of their renewal as required herein, Mortgagee may, but shall not be obligated to, procure such insurance at Mortgagor's expense to protect Mortgagee's interests in the Property. This insurance may, but need not, protect Mortgagor's interests. The coverage that Mortgagee purchases may not pay any claim that Mortgagor makes or any claim that is made against Mortgagor in connection with the Property. Mortgagor may later cancel any insurance purchased by Mortgagee, but only after providing Mortgagee with evidence that Mortgagor has obtained insurance as required by the terms of this Mortgage. If Mortgagee purchases insurance for the Property as set forth herein, Mortgagor shall pay all amounts advanced by Mortgagee, together with interest thereon at the Default Rate from and after the date advanced by Mortgagee until actually repaid by Mortgagor, promptly upon demand by Mortgagee. Any amounts so advanced by Mortgagee, together with interest thereon, shall be secured by this Mortgage and by all of the other Loan Documents securing all or any part of the indebtedness evidenced by the Loan Agreement and Note. The costs of the insurance may be more than the cost of insurance Mortgagor may be able to obtain on its own.

(j) This Mortgage is given to secure a credit loan and shall secure not only presently existing indebtedness under the Loan Agreement and Note, or any other Loan Documents but

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also future advances, whether such advances are obligatory or to be made at the option of the Mortgagee, or otherwise, as are made within 20 years from the date hereof to the same extent as if such future advances were made on the date of the execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage and although there may be no indebtedness secured hereby outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all indebtedness including future advances, from the time of its filing for record in the recorder's or registrar's office of the county in which the real estate is located. This Mortgage secures, among other indebtedness, a "credit" arrangement within the meaning of 815 ILCS 205/4.1 and 205 ILCS 5/5d. The total amount of indebtedness secured hereby may increase or decrease from time to time, as provided in the Loan Agreement and Note, and any disbursements which Mortgagee may make under this Mortgage, or the Loan Agreement and Note or any other document with respect hereto (e.g., for payment of taxes, insurance premiums, or other advances to protect Mortgagee's liens and security interests, as permitted hereby) shall be additional indebtedness secured hereby. This Mortgage is intended to and shall be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the real estate, to the extent of the maximum amount secured hereby.

[SIGNATURE PAGE FOLLOWS]





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## EXHIBIT A

### PERMITTED EXCEPTIONS

Each of the liens and other encumbrances set forth in Schedule B to the marked title insurance commitment issued by Attorneys' Title Insurance Fund, Inc., dated May 27, 1998, identified as Attorneys' Title Insurance Fund, Inc. commitment number 2725925, relating to the Land and Improvements and delivered to Mortgagee.

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

COOK COUNTY  
RECORDER OF DEEDS  
A - 1