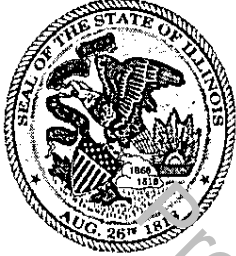


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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Report Mortgage Fraud
844-768-1713



2206119024

Doc# 2206119024 Fee \$88.00

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

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 03/02/2022 10:12 AM PG: 1 OF 16

The property identified as: PIN: 06-18-301-052-0000

Address:

Street: 712 E LAUREL ST

Street line 2:

City: ELGIN

State: IL

ZIP Code: 60120

Lender: CREA WAREHOUSING, LLC

Borrower: UP HOLDINGS, LLC

Loan / Mortgage Amount: \$800,000.00

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.

00H122 0057921 1/2 CB

Certificate number: 853212BE-DCB2-4C63-AC7B-A6CA50F49065

Execution date: 2/14/2022

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This Document Prepared By
and Return to:

William K. Budd
CREA Warehousing, LLC
30 South Meridian Street, Suite 400
Indianapolis, Indiana 46204

[Space Above This Line for Recording Data]

MORTGAGE

THIS MORTGAGE (“**Mortgage**”) is made as of this February 14, 2022 by **UP HOLDINGS, LLC**, an Illinois limited liability company, having its principal place of business at 7370 N. Lincoln Avenue, Suite A, Lincolnwood, IL 60462 (“**Borrower**”) in favor of **CREA Warehousing, LLC**, an Indiana limited liability company, whose address is 30 South Meridian Street, Suite 400, Indianapolis, Indiana 46204 (the “**Lender**”).

This Mortgage secures to Lender: (a) the repayment of the debt (the “**Loan**”) evidenced by that certain promissory note from Borrower and UP Hanover Landing, LP, an Illinois limited partnership, jointly and severally, in favor of Lender and dated the same date as this Mortgage in the original principal amount of \$800,000 bearing interest calculated at the annual rate of four and one-half percent (4.5%) plus the greater of: (a) the 1-Month LIBOR Rate (as defined in the promissory note), or 75 basis points and having a maturity date of the earlier to occur of (i) the date upon which any investor other than the general partner of the Borrower makes a capital contribution to the Borrower, and (ii) one hundred eighty (180) days after the close of the Loan (which may be extended on two occasions for 90 days each so long as an extension fee of \$2,500 per extension is paid and no default then exists), with interest and all renewals, extensions and modifications of the promissory note (the “**Note**”); (b) the payment of all other sums, with interest, advanced to protect the security of this Mortgage; and (c) the performance of Borrower's covenants and agreements under this Mortgage, the Note, the Loan, Pledge and Security Agreement of even date herewith between Borrower, the Lender, and others (the “**Loan Agreement**”), and any and all other loan documents, pledge or other security agreements, loan agreements, disbursement agreements, supplemental agreements, assignments, as the same may be amended, modified or supplemented from time to time, executed or delivered by Borrower to Lender in connection with the Note (the “**Other Loan Documents**”; the Note, this Mortgage, the Loan Agreement, and the Other Loan Documents are sometimes collectively referred to herein as the “**Loan Documents**”).

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For this purpose, Borrower does hereby grant a security interest in the Property as hereinafter defined and does hereby mortgage, grant and convey to Lender the Real Property as hereinafter defined and located in the City of Elgin, Cook County, Illinois legally described in Exhibit A attached hereto and made a part hereof. The Property is granted hereunder and shall be held for the purpose of securing Borrower's obligations to Lender under the Loan Documents (the "Secured Obligations").

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, claims or demands with respect to insurance, any and all awards made for the taking by eminent domain, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Mortgage. All of the foregoing, together with the Real Property, the Chattels and the Intangible Personalty as hereafter defined, is referred to in this Mortgage as the "Property".

As used herein, the following terms and references shall have the meanings indicated:

(a) "**Real Property**" means the real property described in Exhibit A, attached hereto and by this reference incorporated herein, together with all right, title and interest of Borrower in the following with respect to the real property, whether now owned or hereafter acquired by Borrower:

- (i) All improvements now or hereafter located on such real property and all easements and appurtenances thereto;
- (ii) The land lying within any street or roadway adjoining the real property; any vacated or hereafter vacated street or alley adjoining the real property; and any strips and gores adjoining the real property;
- (iii) All and singular the passages, waters, water rights (whether tributary or non-tributary or not non-tributary), water courses, riparian rights, wells, well permits, water stock, other rights, liberties and privileges thereof or in any way now or hereafter appertaining to the real property, including homestead and any other claim at law or in equity, as well as any after-acquired title, franchise or license, and the reversion and reversions and remainder and remainders thereof;
- (iv) All of the rents, royalties, income (including, without limitation, operating income), receipts, revenues, issues, and profits of and from the use, operation, or enjoyment of such real property and improvements (collectively, the "**Income**"), whether such Income is attributable to the period, or is collected, prior to or subsequent to any default by Borrower;
- (v) All machinery, apparatus, equipment, fittings, fixtures (whether actually or constructively attached or incorporated, and including all trade, domestic, and ornamental fixtures) now or hereafter located in, upon, or under such real property or improvements and used or usable in connection with any present or future operation thereof, including but not limited to all lighting, utility, and power

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equipment; engines; pipes; pumps; tanks; motors; conduits; utility systems, plumbing, lifting, cleaning, fire prevention, fire extinguishing, signage, heating, air-conditioning; communication apparatus; water heaters; ranges; furnaces; appliances, refrigerators, stoves; shades, awnings, screens, storm doors and windows; attached cabinets; rugs, carpets and draperies and all additions thereto and replacements therefor;

- (vi) All plans and specifications for the improvements on the real property; soil, environmental, engineering, land planning maps, surveys and other studies and reports concerning the real property or prepared for the orderly planning and development of the real property, including all plans, drawings and studies concerning the platting or replatting of the real property; all contracts and subcontracts relating to the improvements on the real property, or any thereof;
- (vii) All awards and payments, including interest thereon, resulting from the exercise of any right of eminent domain or any other public or private taking of, casualty or injury to, or decrease in the value of, any of such real property, including without limitation all property insurance payments, proceeds and policies related to such real property; and
- (viii) All other and greater rights and interests of every nature in such property and in the possession or use thereof and income therefrom, whether now owned or subsequently acquired by Borrower.

(b) **“Chattels”** means all goods, trade fixtures, fixtures, inventory, furnishings, fittings, machinery, apparatus, equipment, building and other construction materials, supplies, and other tangible personal property of every nature now owned or hereafter acquired by Borrower and used, intended for use, or reasonably required in the development, construction, reconstruction, alteration, repair, or operation of the Property and any improvements or infrastructure located thereon, together with all accessions thereto, replacements and substitutions therefor, and proceeds thereof, including, without limitation, to the extent not deemed to be real property under this Mortgage, all apparatus, machinery, motors, elevators, fittings, equipment, and other furnishings and all plumbing, heating, lighting, cooking, laundry, ventilating, refrigerating, incinerating, air-conditioning and sprinkler equipment and fixtures and appurtenances thereto.

(c) **“Intangible Personalty”** means all right, titles and interests of the Borrower in and to capital contributions due Borrower under the partnership agreement of the Borrower and in and to the following, with respect to the Real Property:

- (i) All of the licenses, permits, franchises, and other entitlements to use and all rights thereto which have been issued by or which are pending before any governmental or quasi-governmental agency which are necessary or appropriate for the Property;
- (ii) All funds, Accounts, operating accounts, accounts receivable, Deposit Accounts, escrow accounts, monies, claims, causes of action, rights to payment, prepaid insurance and other prepaid items, contracts, contract rights, refunds and rebates, maintenance contracts, maintenance warranties, continuing agreements, security

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deposits, federal low-income housing tax credits, General Intangibles and Payment Intangibles associated with the Property, Letter of Credit Rights and insurance proceeds;

- (iii) All water taps, sewer taps, building permits, curb cut permits, storm water discharge permits, or refunds, rebates or deposits due or to become due from any utility companies or governmental entity or governmental unit; and
- (iv) The absolute right to Borrower's interest in any trade name used by Borrower in connection with the Property and all of Borrower's rights in and to contract rights, leases, concessions, trade names, trademarks, service marks, logos, operating systems, trade secrets, technology and technical information, copyrights, warranties, licenses, plans, drawings and other items of intangible personal property relating to the ownership or operation of the Property.

Any capitalized terms not otherwise defined in this Mortgage and not defined in the Loan Agreement, shall bear the meaning given to them in Article 9 of the Uniform Commercial Code of Illinois (the "Code").

It is specifically understood that the enumeration of any specific articles of the Property, including Chattels and Intangible Personalty shall in no way exclude or be held to exclude any items of property not specifically mentioned. All of the Real Property, Chattels and Intangible Personalty, whether affixed or annexed or not, and all rights hereby conveyed and mortgaged are intended to be as a unit and are hereby understood and agreed and declared to be appropriated to the use of the real estate, and shall for the purposes of this Mortgage be deemed to be real estate and conveyed and mortgaged hereby.

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

As additional security for obligations to Bank under the Loan Documents (the "**Secured Obligations**"), Borrower hereby grants to Lender a security interest in all assets of the Borrower, in the Chattels, in the Intangible Personalty, and in such of the Real Property as may be deemed personalty (collectively, the "**Collateral**"). To the extent any of the Collateral may be or has been acquired with funds advanced by Lender under the Loan Documents, this security interest is a purchase money security interest. This Mortgage constitutes a Security Agreement under the Code with respect to any part of the Property and Collateral that may or might now or hereafter be or be deemed to be personal property, fixtures or property other than real estate; all of the terms, provisions, conditions and agreements contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property comprising the Property, and the following provisions of this section shall not limit the generality or applicability of any other provision of this Mortgage but shall be in addition thereto.

This Mortgage constitutes a security agreement and financing statement under the Code with respect to the Collateral. As such, this Mortgage covers all items of the Collateral that are personal

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property including all items which are to become fixtures. Borrower is the “**Debtor**” and Lender is the “**Secured Party**” (as those terms are defined and used in the Code) insofar as this Mortgage constitutes a financing statement.

The Borrower agrees that Lender may, to the extent permitted by applicable law, prepare and file financing statements, amendments thereto, and continuation statements without the signature of the Borrower and file any financing statement, amendment thereto or continuation statement electronically.

This is a construction mortgage under the Code, given to secure an obligation incurred for the construction of an improvement of land, including the acquisition cost of the land.

This Mortgage secures future advances under the Note up to a total maximum principal amount of \$800,000.

COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest. Borrower shall promptly pay within ten (10) days of when due the principal and interest on the debt evidenced by the Loan Documents.

2. Application of Payments. All payments received by Lender shall be applied first to interest, then to other charges, and then to principal.

3. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property, and leasehold payments or ground rents, if any. Upon Lender's request, Borrower shall make these payments directly, and upon Lender's request, promptly furnish to Lender receipts evidencing the payments. Borrower shall pay, or cause to be paid, when due and payable all taxes, assessments, water charges, sewer charges, license fees and other charges against or in connection with the Property and shall, upon request, promptly furnish to Lender duplicate receipts. Borrower may, in good faith and with due diligence, contest the validity or amount of any such taxes or assessments, provided that (a) Borrower shall notify Lender in writing of the intention of Borrower to contest the same before any tax or assessment has been increased by any interest, penalties or costs, (b) Borrower shall first make all contested payments, under protest if Borrower desires, unless such contest shall suspend the collection thereof, or obtain full title insurance coverage over such taxes or assessments, (c) neither the Property nor any part thereof or interest therein are at any time in any danger of being sold, forfeited, lost or interfered with, and (d) Borrower shall furnish such security as may be required in the contest or as reasonably requested by Lender.

4. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term “extended coverage” and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval that shall not be unreasonably withheld. If Borrower fails to maintain coverage described above,

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Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with Paragraph 6.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible, Lender's security is not lessened and Borrower is not in default under the Loan Documents for any period beyond the date by which Borrower is required to cure such default as set forth in Lender's notice of default to Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Mortgage, whether or not then due with any excess paid to Borrower and no such application shall require any prepayment charge or payment. If Borrower abandons the Property, or does not answer within thirty (30) days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Mortgage, whether or not then due. The thirty (30) day period will begin when the notice is given.

If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to the acquisition.

5. Preservation and Maintenance of Property; Construction under Rehabilitation Project; Borrower's Application; Leaseholds. Once constructed, Borrower shall not destroy, damage, substantially change the Property allow the Property to deteriorate, or commit waste. Borrower shall maintain the Property in compliance with applicable municipal codes. Borrower shall complete within sixteen (16) months any building or buildings now or at any time in process of erection, construction, alteration, repair or rehabilitation upon said Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Mortgage or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 16, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Mortgage or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note.

6. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in the Loan Documents, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is

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necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien that has priority over this Mortgage, appearing in court, paying reasonable attorneys' fees, and entering on the Property to make repairs. Although Lender may take action under this paragraph, Lender does not have to do so.

Any amount disbursed by Lender under this paragraph shall become additional debt of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the rate of 10% per annum and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

As additional security hereunder the Borrower hereby assigns to Lender the rents and leases of the Property, provided that the Borrower shall, prior to acceleration under this Mortgage hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

7. Inspection. The Lender shall have the right to inspect or may cause the inspection of the Property at all reasonable times upon prior reasonable notice and access thereto shall be permitted for that purpose.

8. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the proceeds shall be paid to the Lender and the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within thirty (30) days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due.

Notwithstanding anything herein to the contrary, unless Lender and Borrower otherwise agree in writing, condemnation proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible, Lender's security is not lessened and Borrower is not in default under the Loan Documents for any period beyond the date by which Borrower is required to cure such default as set forth in Lender's notice of default to Borrower. If the restoration or repair is not economically feasible, or Lender's security would be lessened, the condemnation proceeds shall be applied to the sums secured by this Mortgage, whether or not then due with any excess paid to Borrower and no such application shall require any prepayment charge or payment.

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9. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of the Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest nor shall Lender be required to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower or Borrower's successors in interest. A waiver in one or more instances of any of the terms, covenants, conditions or provisions hereof, or of the Note, or the Other Loan Documents or any part thereof, shall apply to the particular instance or instances and at the particular time or times only, and no such waiver shall be deemed a continuing waiver but all of the terms, covenants, conditions and other provisions of this Mortgage, the Note and Other Loan Documents shall survive and continue to remain in full force and effect. No waiver shall be asserted against Lender unless in writing signed by Lender.

10. Successors and Assigns Bound; Joint and Several Liability. The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 15.

11. Loan Charges. If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

12. Notices. Any notice provided for in this Mortgage shall be deemed to have been given by delivering it or three (3) days after mailing it by certified mail, postage prepaid, return receipt requested unless applicable law requires use of another method. The notice shall be directed to the persons/entities set forth in the Note or any other address Borrower or Lender designates by notice to the other.

13. Governing Law; Severability. This Mortgage shall be governed by federal law and the law of Illinois. In the event that any provision or clause of this Mortgage, the Note or Other Loan Documents conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage, the Note or Other Loan Documents which can be given effect without the conflicting provision.

14. Assignment by Lender. Lender may assign all or any portion of its interest hereunder and its rights granted herein and in the Note and the Other Loan Documents to any governmental entity, or to any person, trust, financial institution or corporation as Lender may determine and upon such assignment, such assignee shall thereupon succeed to all the rights, interests, and options of Lender herein and in the Note and the Other Loan Documents, and Lender shall thereupon have no further obligations or liabilities thereunder.

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15. Transfer of the Property or a Beneficial Interest in Borrower; Due on Sale. If all or any part of the Property or any interest including a beneficial interest in it is sold or transferred or otherwise alienated, (except for (i) a limited partner's interest or an interest in limited partner, is sold or transferred), (ii) the removal and replacement of the general partner of Borrower, or (iii) any other transfer contemplated in the partnership agreement of the Borrower without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage, in accordance with the Note and the Other Loan Documents.

If Lender exercises this option, Lender shall give Borrower notice of acceleration if applicable. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums when due, Lender may invoke any remedies permitted by this Mortgage, the Note and the Other Loan Documents without further notice or demand on Borrower.

16. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Mortgage discontinued at any time prior to the entry of a judgment enforcing this Mortgage. Those conditions are that the Borrower: (a) pays Lender all sums which then would be due under this Mortgage, the Note and the Other Loan Documents had no acceleration occurred; (b) cures any default of any other covenants or agreements or provisions contained in this Mortgage, the Note and the Other Loan Documents; (c) pays all expenses incurred in enforcing this Mortgage, the Note and the Other Loan Documents; including, but not limited to, reasonable attorneys' fees; (d) takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unchanged; and (e) not use this provision more frequently than once every five (5) years. Upon reinstatement by Borrower, this Mortgage and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 15.

17. Hazardous Substances. Except as disclosed by Borrower to Lender through the delivery of environmental reports or studies regarding the Property, Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 17, "**Hazardous Substances**" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene,

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other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 17, "**Environmental Law**" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

18. Acceleration; Remedies. Lender may foreclose this Mortgage, by judicial action or in any other means in the manner provided by law or statute. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement or provision in this Mortgage, the Note or the Other Loan Documents. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than thirty (30) days from the date the notice is given to Borrower, by which the default must be cured (except for payment defaults which shall only require ten (10) days notice); and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding, and sale of the Property. If a default other than a payment default cannot be cured within thirty (30) days, but Borrower proceeds to cure within such thirty (30) day period and diligently pursues a cure, then the cure period is extended while the cure is pursued. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage and pursue all remedies available at law or equity. Lender shall be entitled to collect all expenses incurred in proceedings pursuing the remedies provided in this Paragraph 18 including, but not limited to, reasonable attorneys' fees and costs of title evidence. Any cure offered by any limited partner of Borrower will have the same effect as if offered by the Borrower.

Lender may also exercise all rights of a secured party under the Code with respect to the Collateral, including but not limited to taking possession of, holding, and selling the Collateral and enforcing or otherwise realizing upon any accounts and general intangibles. Any requirement for reasonable notice of the time and place of any public sale, or of the time after which any private sale or other disposition is to be made, will be satisfied by Lender's giving of such notice to Borrower at least 15 days prior to the time of any public sale or the time after which any private sale or other intended disposition is to be made. If permitted by statute or court decision, the Collateral may be sold by the Lender as part of the foreclosure sale of the Property.

Lender shall be entitled, as a matter of absolute right and without regard to the value of any security for the Secured Obligations or the solvency of any person liable therefor, to the appointment of a receiver for the Property upon ex parte application to any court of competent jurisdiction. Borrower waives any right to any hearing or notice of hearing prior to the appointment of a receiver. In the event of foreclosure, Lender may be appointed as receiver.

Should any part of the Property come into the possession of Lender or a receiver, whether before or after a default hereunder, Lender or the receiver and receiver's agents shall be empowered:

- (i) To take possession of the Property and any business conducted by Borrower or any other person thereon and any business assets used in connection therewith and any Property in which Lender has a security interest granted by Borrower and, if the receiver deems it appropriate, to operate the same;

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- (ii) To exclude Borrower and Borrower's agents, servants, and employees from the Property;
- (iii) With or without taking possession of the Property, to collect the rents and revenues of the Property, including those past due and unpaid and security deposits;
- (iv) To rent, lease or let all or any portion of the Property to any party or parties at such rental and upon such terms as the Lender shall, and to pay any leasing or rental commissions associated therewith in its discretion, determine;
- (v) To complete any construction or development which may be in progress;
- (vi) To do such maintenance and make such repairs and alterations as the receiver deems necessary;
- (vii) To use all stores of materials, supplies and maintenance equipment on the Property and to replace and replenish such items at the expense of the receivership estate;
- (viii) To pay the operating expenses of the Property, including costs of management and leasing or marketing thereof (which shall include lease commissions, sale commissions), payments under contracts and agreements for development and construction;
- (ix) To pay all taxes and assessments against the Property and any property which is collateral for the Secured Obligations, all premiums for insurance thereon, all utility and other operating expenses, and all sums due under any prior or subsequent encumbrance;
- (x) To borrow from the Lender such funds as may be reasonably necessary to the effective exercise of the receiver's powers, on such terms as may be agreed upon by the receiver and the Lender; and
- (xi) Generally do anything which Borrower could legally do if Borrower were in possession of the Property.

All expenses incurred by the receiver or the receiver's agent shall constitute part of the Secured Obligations. Any revenues collected by the receiver shall be applied first to the expenses of the receivership (including attorneys' fees incurred by the receiver and by Lender), to expenses of the Property, and to preserve, protect, maintain and operate the Property and any other collateral which is security for the Secured Obligations, and the balance shall be applied toward the Secured Obligations or any deficiency which may result from any foreclosure sale, and then in such other manner as the court may direct. Unless sooner terminated with the express consent of the Lender, any such receivership will continue until all amounts remaining due under the Note have been discharged in full, or until title to the Property has passed after foreclosure sale and all applicable periods of redemption have expired, and in either case, the court has discharged the receiver. Borrower covenants to promptly reimburse and pay to Lender or such receiver, at the place where the Note is payable, or at such other place as may be designated in writing, the amount of all reasonable expenses (including the cost of any insurance, taxes, or other charges) incurred by

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Lender or such receiver in connection with its custody, preservation, use or operation of the Property, together with interest thereon from the date incurred by Lender or such receiver at the Default Rate, as set forth in the Note, and all such expenses, costs, taxes, interest, and other charges shall be part of the Secured Obligations. It is agreed, however, that the risk of accidental loss or damage to the Property is undertaken by Borrower and, except for Lender's or such receiver's willful misconduct or gross negligence, Lender or such receiver shall have no liability whatsoever for decline in value of the Property, for failure to obtain or maintain insurance, or for failure to determine whether any insurance ever in force is adequate as to amount or as to the risks insured, or to complete development.

19. Lender in Possession. Upon acceleration under Paragraph 18 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of, and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. Nothing herein contained shall be construed as constituting Lender a mortgagee in possession in the absence of the taking of actual possession of the Property by Lender pursuant to this Paragraph 19. In the exercise of the powers herein granted Lender, no liability shall be asserted or enforced against Lender, all such liability being expressly waived and released by Borrower.

20. Release. Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation if any.

21. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

22. No Offsets by Borrower. No offset or claim that Borrower now has or may have in the future against Lender shall relieve Borrower from paying any amounts due under the Note, this Mortgage or the Other Loan Documents or from performing any other obligations contained therein.

23. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Mortgage, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider(s) were a part of this Mortgage.

24. Incorporation of Note, All Other Loan Documents. The covenants or agreements of the Note and the Other Loan Documents are incorporated herein. A failure to comply with any covenant or agreement or provision of this Mortgage, the Note or the Other Loan Documents is a default. All remedies provided for in this Mortgage, the Other Loan Documents or the Note are distinct and cumulative to any other right or remedy under this Mortgage, the Other Loan Documents, the Note or afforded by law or equity and may be exercised concurrently, independently, or successively.

25. Acknowledgment of Debt. Borrower shall furnish from time to time within fifteen (15) days after Lender's written request, a written statement, duly acknowledged, setting forth the amount

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secured by this Mortgage and whether any alleged offsets or defenses exist against the indebtedness secured by this Mortgage.

26. Evidence of Real Estate Tax and Insurance Payments. Lender may require that an escrow for payment of real estate taxes and insurance premiums be maintained. If Lender requires such an escrow be maintained, Lender shall pay real estate taxes and insurance premiums with the funds in the escrow. If requested by Lender, the Borrower must place funds, within thirty (30) days of receiving notice from the Lender, in an escrow account acceptable to the Lender for the payment of real estate taxes and insurance premiums. The amount to be deposited in such account shall be determined by the Lender on the basis of current data and reasonable estimates of expenditures of future escrow items or otherwise in accordance with applicable law. Also, at the option of the Lender, additional monthly deposits may be required to be made by the Borrower. If the amount of the funds held in escrow at any time is not sufficient to pay the escrow items when due, Borrower shall place in escrow the amount necessary to make up the deficiency. Borrower agrees that all documents and information pertaining to this account will be available to the Lender and HUD upon request. If, however, Lender does not require such an escrow, notwithstanding any other provision contained within this Mortgage, Borrower, shall, within thirty (30) days prior to expiration of Borrower's insurance policy, submit to Lender evidence of its annual payment renewing all of the insurance required herein. In addition, Borrower shall, upon receipt of its real estate tax bill, immediately forward a copy to Lender. Borrower shall, within ten (10) days from the date that such real estate taxes are due, submit to Lender evidence of full payment of the real estate taxes for that period due. In the event that Borrower obtains tax exempt status for the Property, Borrower shall, each year that the Mortgage is in effect, submit proof of such status with Lender which shall satisfy Borrower's obligation under this paragraph. Borrower's failure to submit evidence of payment of insurance and real estate taxes or evidence of tax exempt status shall constitute a default under the terms of this Mortgage, the Note and the Other Loan Documents.

27. Prior Mortgage. Borrower shall not be in default of any provision of any prior mortgage beyond any applicable notice and cure period.

28. Extended Use Agreement. Lender acknowledges that Borrower (or its successor owner of the Property) and the Illinois Housing Development Authority intend to enter into an Extended Use Agreement, which constitutes the extended low-income housing commitment described in Section 42(h)(6)(B) of the Internal Revenue Code, as amended (the "**Internal Revenue Code**"). As of the date hereof, Internal Revenue Code Section 42(h)(6)(E)(ii) does not permit the eviction or termination of tenancy (other than for good cause) of an existing tenant of any low-income unit or any increase of the gross rent with respect to such unit not otherwise permitted under Internal Revenue Code Section 42 for a period of three (3) years after the date the building is acquired by foreclosure or by instrument in lieu of foreclosure. In the event the Extended Use Agreement required by the Credit Agency is recorded against the Property, the Lender agrees to comply with the provisions set forth in Internal Revenue Code Section 42(h)(6)(E)(ii).


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IN WITNESS WHEREOF, Borrower agrees to the terms and covenants contained in this Mortgage and in any rider(s) executed by Borrower and recorded with the Mortgage by its authorized representatives as of the date first written above.

BORROWER

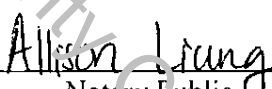
UP HOLDINGS, LLC

By: 
Cullen J. Davis, Manager

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Cullen J. Davis is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that as Manager of UP HOLDINGS, LLC, an Illinois limited liability company, he signed, sealed and delivered the said instrument as a free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this February 14, 2022.


Allison Liang
Notary Public



Property of Cook County Clerk's Office

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EXHIBIT A LEGAL DESCRIPTION OF REAL ESTATE

PARCEL 1

THAT PART OF LOT 24 OF THE COUNTY CLERK'S SUBDIVISION OF UNSUBDIVIDED LANDS IN THE SOUTH ½ OF SECTION 18, TOWNSHIP 41 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTHERLY OF A LINE DRAWN FROM A POINT ON THE WEST LINE OF SAID LOT THAT IS 336.0 FEET SOUTH OF THE INTERSECTION OF SAID WEST LINE AND THE CENTER LINE OF EAST CHICAGO STREET TO A POINT ON THE EAST LINE OF SAID LOT 24 THAT IS 256.0 FEET SOUTH OF THE INTERSECTION OF SAID EAST LINE AND THE CENTER LINE OF EAST CHICAGO STREET, LYING NORTHERLY RIGHT OF WAY LINE OF LAUREL STREET, IN THE CITY OF ELGIN, IN COOK COUNTY, ILLINOIS.

Property address: 712 E. Laurel St., Elgin, IL 60120
PIN: 06-18-301-052-0000

PARCEL 2

THAT PART OF LOT 24 OF THE COUNTY CLERK'S SUBDIVISION OF UNSUBDIVIDED LANDS IN THE SOUTH ½ OF SECTION 18, TOWNSHIP 41 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTHERLY OF A LINE DRAWN FROM A POINT ON THE WEST LINE OF SAID LOT THAT IS 336.0 FEET SOUTH OF THE INTERSECTION OF SAID WEST LINE AND THE CENTER LINE OF EAST CHICAGO STREET TO A POINT ON THE EAST LINE OF SAID LOT 24 THAT IS 256.0 FEET SOUTH OF THE INTERSECTION OF SAID EAST LINE AND THE CENTER LINE OF EAST CHICAGO STREET IN THE CITY OF ELGIN, IN COOK COUNTY, ILLINOIS.

Property address: 711 East Chicago Street, Elgin, IL 60120
PIN: 06-18-301-050-0000