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**Illinois Anti-Predatory
Lending Database
Program**

Certificate of Exemption



**Report Mortgage Fraud
844-768-1713**



2307415018

Doc# 2307415018 Fee \$103.00

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

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 03/15/2023 02:20 PM PG: 1 OF 27

The property identified as: **PIN: 19-13-427-030-0000**

Address:

Street: 2626 W. 63RD STREET

Street line 2:

City: CHICAGO

State: IL

ZIP Code: 60629

Lender: ZIONS BANCORPORATION, NATIONAL ASSOCIATION

Borrower: CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP

Loan / Mortgage Amount: \$11,900,000.00

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

Certificate number: 591E277B-2221-41A8-8466-0C8FCE60A397

Execution date: 3/1/2023

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Space Above for Recorder's Use Only

DOCUMENT COVER SHEET

TITLE OF DOCUMENT: MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING

DATE OF DOCUMENT: March 1, 2023

GRANTOR: CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP
MAILING ADDRESS: 2601 W. 63rd Street
Chicago, Illinois 60629

GRANTEES: ZIONS BANCORPORATION NATIONAL ASSOCIATION
111 W Washington St, Suite 1860
Chicago, Illinois 60602

LEGACY BANK & TRUST COMPANY
3250 East Sunshine Street
Springfield, Missouri 65804

LEGAL DESCRIPTION: See Exhibit A attached to document

REFERENCE BOOK AND PAGE: None

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

THIS MORTGAGE SECURES FUTURE ADVANCES AND FUTURE OBLIGATIONS AS PERMITTED BY SECTION 765 5/39 OF THE STATUTES OF THE STATE OF ILLINOIS, AS IT MAY BE AMENDED FROM TIME TO TIME. THIS MORTGAGE IS GOVERNED BY SAID SECTION 765.

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING made this 1st day of March, 2023 (this "*Mortgage*"), entered into by CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP, an Illinois limited partnership having a mailing address of 2601 W. 63rd Street, Chicago, Illinois 60629 (the "*Grantor*"), to ZIONS BANCORPORATION, NATIONAL ASSOCIATION, a national banking association, as fiscal agent under the Bond Issuance Agreement dated as of even date herewith, as Fiscal Agent and secured party, and its successors and assigns (the "*Fiscal Agent*"), whose address is 111 W Washington St, Suite 1860 Chicago Illinois 60602, as fiscal agent for the benefit of LEGACY BANK & TRUST COMPANY, a Missouri chartered bank (the "*Grantee*").

RECITALS

WHEREAS the Grantor has applied to the City of Chicago, an Illinois municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the "*Issuer*"), for financial assistance for the purpose of providing all or a part of the funds with which to pay the cost of the rehabilitation of 86 multifamily housing units in the County of Cook, Illinois, known as Churchview Homes Project (the "*Project*").

WHEREAS the Issuer is authorized to issue its Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A, in the maximum principal amount of \$7,000,000 (the "*Series A Bonds*") and its Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B, in the maximum principal amount of \$4,900,000 (the "*Series B Bonds*"), and together with the Series A Bonds, the "*Bonds*") and in accordance with the provisions of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, as supplemented and amended (the "*Act*"), and pursuant to Ordinance of the Issuer adopted November 16, 2022 (the "*Ordinance*"), and has issued the Bonds pursuant to that certain Bond Issuance Agreement dated March 1, 2023 by and among Issuer, Fiscal Agent and Grantee.

WHEREAS the Bonds will be issued pursuant to the Bond Issuance Agreement between the Issuer and Fiscal Agent. The Bonds will be purchased by Grantee pursuant a Bond Loan Agreement dated March 1, 2023 by and among the Grantee, the Issuer and the Grantor (the "*Loan Agreement*").

WHEREAS pursuant the Loan Agreement and that certain Series 2023A Borrower Note in the maximum principal amount of \$7,000,000 (the "*Series A Note*") and that certain Series 2023B Borrower Note in the maximum principal amount of \$4,900,000 (the "*Series B Note*"), and together with the Series A Note, the "*Notes*"), the Issuer has agreed to loan the proceeds of the Bonds to the Grantor (the "*Loan*"). The Grantee has purchased the Bonds upon the terms set forth in the Loan Agreement and that certain Continuing Covenants Agreement dated as of March 1, 2023 (the "*Continuing Covenants Agreement*").

WHEREAS the Notes and the Continuing Covenants Agreement provide that the Grantor will repay the Loan and pay interest on the amount of the Loan outstanding in amounts which in the aggregate will be sufficient to pay the principal of, premium, if any, and interest on the Bond Loan and the Notes as the same become due and payable.

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WHEREAS the Grantor desires to make and enter into this Mortgage to secure the payment and performance of its duties and obligations under the Notes, the Continuing Covenant Agreement, and this Mortgage and as an inducement to the purchase of the Bonds by all who shall at any time become holders thereof.

WHEREAS as security for the obligations of the Grantor under the Notes, the Grantor is executing and delivering this Mortgage to the Fiscal Agent for the benefit of the Grantee, together with UCC-1 Financing Statements, and, to further secure the Notes and the Loan, is also executing and delivering, or causing others to execute and deliver, the following: the Security Agreement (Assignment of Partnership Interest and Capital Obligations), the Assignment of Architect's Agreement and Plans and Specifications and Consent, the Assignment and Subordination of Development Services Agreement, the Assignment of Construction Documents, the Environmental Indemnity and Release Agreement and the Guaranty Agreement (the "*Collateral Assignment Documents*"), and together with the Loan Agreement, the Notes, the Continuing Covenant Agreement, and this Mortgage, the "*Loan Documents*").

Article 1

Granting Clause; Certain Definitions

1.1 Granting Clause. In consideration of the provisions of this Mortgage and the sum of TEN DOLLARS (\$10.00) cash in hand paid and other good and valuable consideration the receipt and sufficiency of which are acknowledged by Grantor, Grantor does hereby MORTGAGE, GRANT, BARGAIN, SELL, CONVEY, TRANSFER, ASSIGN, WARRANT and SET OVER by GENERAL WARRANTY, the Land described in Exhibit A and all of the other Real Property (defined below), TO HAVE AND TO HOLD in fee simple forever, subject to the terms, provisions and conditions herein set forth, to secure the obligations of Grantor under the Notes and other Loan Documents and all other Obligations of Grantor described below.

a. Future Advances and Obligations. This Mortgage secures all future advances and obligations constituting Obligations (defined below). The total amount of Obligations secured hereby may decrease or increase from time to time, but at no time shall the total principal amount of Obligations secured hereby, not including sums expended or incurred for the reasonable protection of Fiscal Agent's security in the Property or for other purposes specified in §765 ILCS 5/39, exceed the sum of Eleven Million Nine Hundred Thousand and No/100 Dollars (\$11,900,000.00).

1.2 Certain Definitions and Reference Terms. In addition to other terms defined elsewhere in this Mortgage, each of the following terms shall have the meaning assigned below to it:

"*Allocating Agency*" means the City of Chicago Department of Housing.

"*General Partner*" means Churchview Supportive Living Preservation, LLC, an Illinois limited liability company.

"*Limited Partner*" means NDC Corporate Equity Fund XIX, L.P., a Delaware limited partnership.

"*Obligations*" means: (a) Payment and performance of all of Grantor's obligations under that certain Series 2023A Borrower Notes of even date with this Mortgage, in the principal amount of Seven Million and No/100 Dollars (\$7,000,000.00) executed by Grantor and delivered to Fiscal Agent and Grantee and that certain Series 2023B Borrower Notes of even date with this Mortgage, in the principal amount of Four Million Nine Hundred Thousand and No/100 Dollars (\$4,900,000.00) executed by

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Grantor and delivered to Fiscal Agent and Grantee; which by reference is made a part hereof to the same extent as though set out in full herein; (b) Due, prompt and complete payment and performance of each and every obligation, covenant and agreement of Grantor contained in this Mortgage, and each other agreement, instrument or document entered into or delivered in connection with the Loan reflected by the Notes, including, without limitation, the Continuing Covenant Agreement dated of near or even date with this Mortgage entered into by and among Grantor and Fiscal Agent and any and all Loan Documents described or referred to therein and any and all extensions, modifications, substitutions, replacements or renewals thereof; (c) Due, prompt and complete payment and performance by Grantor of all of the obligations of Grantor under those certain Bond Documents as defined in the Bond Issuance Agreement, including the Bonds, for the benefit of Fiscal Agent and Grantee and, with respect to certain Reserved Rights (as defined in the Bond Issuance Agreement), for the benefit of Issuer; and (d) Due, prompt and complete payment and performance of all other obligations, debts and liabilities, plus interest thereon, of Grantor to Fiscal Agent, as well as all claims by Fiscal Agent against, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Loan, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

“Personal Property Collateral” means (i) all goods now owned or hereafter acquired by Grantor that are intended to be used or are actually used so as to become fixtures on the Land; (ii) all right, title and interest of Grantor in and to all equipment, furniture, trade fixtures and other personal property and construction materials and supplies used or intended to be used on the Land, whether or not stored on the Land; (iii) all of the Property which constitutes personal property or fixtures; (iv) all property in which a security interest may be created pursuant to the Uniform Commercial Code (or any similar laws) of the state in which the Property is located including all goods, inventory, equipment, accounts, accounts receivable, contract rights, general intangibles, chattel paper, documents, documents of title, instruments, and securities located on or generated by or used in connection with the ownership or operation of the Property; and (v) with respect to the foregoing, all replacements and substitutions therefor, additions and accessions thereto and cash and non-cash proceeds thereof.

“Property” means, collectively, (i) land described in Exhibit A attached hereto and made a part hereof (the *“Land”*); (ii) any and all buildings, structures, improvements, alterations or appurtenances now or hereafter situated or to be situated on the Land (collectively the *“Improvements”*); (iii) all right, title and interest of Grantor, now owned or hereafter acquired, in and to (1) all streets, roads, alleys, easements, rights of way, licenses, rights of ingress and egress, vehicle parking rights and public places, existing or proposed, abutting, adjacent, used in connection with or pertaining to the Land or the Improvements; (2) any strips or gores between the Land and abutting or adjacent properties; (3) all options to purchase the Land or the Improvements or any portion thereof or interest therein, and any greater estate in the Land or the Improvements; and (4) all water and water rights, timber, crops and mineral interests on or pertaining to the Land; (iv) all fixtures, heating, ventilation, air conditioning and refrigeration equipment, boilers, piping, wiring, cabling, plumbing and lighting fixtures, sprinklers, fire extinguishing apparatus, now owned or hereafter acquired by Grantor, which are now or hereafter attached to or situated in, on or about the Land or the Improvements and used in or necessary to the complete and proper planning, development, use, occupancy or operation thereof, and all renewals and replacements of, substitutions for and additions to the foregoing, but excluding all trade fixtures and equipment not dedicated to the use and mechanical function of the Improvements (the properties referred to in this clause being herein sometimes collectively called the *“Accessories,”* all of which are hereby declared to be permanent accessions to the Land); (v) all plans and specifications for the Improvements; (vi) Grantor’s rights, but not liability for any breach by Grantor, under all insurance policies (or additional

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or supplemental coverage related thereto, including from an insurance provider meeting the requirements of the Loan Documents or from or through any state or federal government sponsored program or entity), contracts and agreements for the design, construction, operation or inspection of the Improvements related to the Premises or the Accessories or the operation thereof; (vii) deposits and deposit accounts arising from or related to any transactions related to the Premises or the Accessories (including but not limited to Grantor's rights in tenants' security deposits, deposits with respect to utility services to the Premises, and any deposits or reserves hereunder or under any other Loan Documents for taxes, insurance or otherwise), rebates or refunds of impact fees or other taxes, assessments or charges, money, accounts, instruments, documents, promissory Notes and chattel paper whether tangible or electronic arising from or by virtue of any transactions related to the Premises or the Accessories; (viii) permits, licenses, franchises, certificates, development rights, commitments and rights for utilities, and other rights and privileges obtained in connection with the Premises or the Accessories; (ix) leases, rents, royalties, bonuses, issues, profits, revenues and other benefits of the Premises and the Accessories; (x) as-extracted collateral produced from or allocated to the Land including, without limitation, oil, gas and other hydrocarbons and other minerals and all products processed or obtained therefrom, and the proceeds thereof; (xi) engineering, accounting, title, legal, and other technical or business data concerning the Property which are in the possession of Grantor or in which Grantor can otherwise grant a security interest; (xi) all accounts and proceeds (cash or non-cash and including payment intangibles) of or arising from the properties, rights, titles and interests referred to above in this definition, including but not limited to proceeds of any sale, lease or other disposition thereof, proceeds of each policy of insurance (or additional or supplemental coverage related thereto, subject to Section 4.2 herein, including from an insurance provider meeting the requirements of the Loan Documents or from or through any state or federal government sponsored program or entity) relating thereto (including premium refunds), proceeds of the taking thereof or of any rights appurtenant thereto, subject to Section 4.4 herein, including change of grade of streets, curb cuts or other rights of access, by condemnation, eminent domain or transfer in lieu thereof for public or quasi public use under any law, and proceeds arising out of any damage thereto; (xii) all letter of credit rights (whether or not the letter of credit is evidenced by a writing) Grantor now has or hereafter acquires relating to the properties, rights, titles and interests; (xiii) all commercial tort claims Grantor now has or hereafter acquires relating to the properties, rights, titles and interests; and (xiv) other interests of every kind and character which Grantor now has or hereafter acquires in, to or for the benefit of the properties, rights, titles and interests, including but not limited to rights of ingress and egress and remainders, reversions and reversionary rights or interests; and if the estate of Grantor in any of the property is a leasehold estate, this conveyance shall include, and the lien and security interest created hereby shall encumber and extend to, all other or additional title, estates, interests or rights which are now owned or may hereafter be acquired by Grantor in or to the property devised under the lease creating the leasehold estate.

"Real Property" means all of the Property that is or may hereafter be real property under the laws of the State of Illinois.

"Rights" The right, in the name and on behalf of Grantor, to appear in and defend any action or proceeding brought with respect to the Property and to commence any action or proceeding to protect the interest of Fiscal Agent in the Property

Capitalized terms used herein and not otherwise defined in this Mortgage shall have the meaning ascribed to such terms in the Continuing Covenants Agreement.

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Article 2 General Covenants

2.1 Title to Property. Grantor covenants, agrees and warrants that Grantor has good right to convey and mortgage the Property, that Grantor will warrant and defend title to the Property for the benefit of Beneficiary and Beneficiary's successors and assigns forever, and that Grantor has good title to the Property, free and clear of liens and encumbrances except only for those exceptions to title, if any, specifically set forth in the title policy, if any, issued or to be issued to Beneficiary and insuring the lien of this Mortgage, and any other Permitted Liens described in the Loan Agreement. This Mortgage is intended to be, and shall constitute the "Mortgage", as such term is used herein and in the Loan Agreement.

2.2 Sale or Transfer of Property. Except as otherwise provided in the Loan Documents, Grantor will not make or permit any assignment (by operation of law or otherwise), sale, transfer, mortgage, conveyance or lease of the Property or any part thereof (other than leases of individual residential units to tenants in the ordinary course of business) or any right, title or interest therein without first obtaining the prior written consent of Fiscal Agent. Any merger, consolidation or other business combination by which the Property or any part thereof becomes vested in any person other than Grantor shall be deemed an assignment for purposes hereof. In addition, except as otherwise provided and consented to in any of the Loan Documents, any transfer of partnership interests or other equity or ownership interest of any kind in Grantor will be deemed to be a transfer of an interest in the Property.

2.3 Claims against Property. Grantor will pay when due all claims and demands of mechanics, materialmen, laborers and others which, if unpaid, might result in, or permit the creation of a lien on the Property or any part thereof, except to the extent Grantor is permitted to contest such claims pursuant to the Continuing Covenants Agreement, and in general Grantor will do or cause to be done everything necessary so that the priority of the Lien of this Mortgage will be fully preserved, without expense to Fiscal Agent.

2.4 Taxes and Public Charges. Grantor will pay when due all taxes of every kind and nature (including real and personal property taxes and income, franchise and gross receipts taxes), all general and special assessments, levies, permit, inspection and license fees, all water and sewer rents and charges, and all other public charges imposed upon or assessed against Grantor or the Property or any part thereof or upon the revenues, rents, issues, income and profits of the Property or arising in respect of the occupancy, use of possession thereof. Grantor will, immediately upon request by Fiscal Agent therefor, deliver to Fiscal Agent receipts evidencing the payment of such obligations.

2.5 Maintenance of Property. Grantor covenants and agrees to permit, commit or suffer no voluntary waste and, after completion of construction, to maintain the Improvements at all times in a state of good repair and condition other than ordinary wear and tear; to comply with, or cause the Property to comply with, all statutes, ordinances and requirements of any governmental authority having jurisdiction over the Property; and to do or permit to be done to the Property nothing that, following completion of construction, will alter or change the use and character of the Property or in any way impair or weaken the security of this Mortgage. In case of the refusal, neglect or inability of Grantor to repair and maintain the Property or any part thereof, Fiscal Agent may, at its option, make such repairs or cause the same to be made, and advance monies in that behalf. Grantor will not, without obtaining the prior consent of Fiscal Agent, initiate, join in or consent to any private restrictive covenant, zoning ordinance, or other public or private restrictions, limiting or affecting the uses which may be made of the Property or any part thereof.

2.6 Alterations and Additions. Except as specifically permitted in the Loan Documents and contemplated in the budget for the Project approved by Fiscal Agent, no Improvement or other property

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now or hereafter covered by the lien of this Mortgage shall be removed, demolished or altered without the prior written consent of Fiscal Agent, not to be unreasonably withheld, conditioned or delayed, and no addition to or structural changes will be made on the Improvements without the prior written consent of Fiscal Agent, not to be unreasonably withheld, conditioned or delayed. No fixtures or other property will be installed on the Property subject to vendor's lien or other lien.

2.7 Effect of Foreclosure on Tenants. Fiscal Agent agree, notwithstanding any other provision herein to the contrary, that in the event of a foreclosure on the Property, that no low income tenant may be evicted for the three year period following foreclosure if such eviction would be contrary to the provisions of Section 42(h)(6)(E) of the Internal Revenue Code and that this Mortgage and the Notes are expressly subordinate to this provision.

Article 3

Assignment of Leases and Rents

3.1 Certain Definitions. As used herein: (i) "*Lease(s)*" means each existing or future lease, sublease (to the extent of Grantor's rights thereunder) or other agreement under the terms of which any person has or acquires any right to occupy or use the Property, or any part thereof, or interest therein, and each existing or future guaranty of payment or performance thereunder, and all extensions, renewals, modifications and replacements of each such lease, sublease, agreement or guaranty; and (ii) "*Rents*" means all of the rents, revenue, income, profits and proceeds derived and to be derived from the Property or arising from the use or enjoyment of any portion thereof or from any Lease, including but not limited to liquidated damages following default under any such Lease, all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by damage to any part of the Property, all of Grantor's rights to recover monetary amounts from any tenant in bankruptcy including, without limitation, rights of recovery for use and occupancy and damage claims arising out of Lease defaults, including rejections, under any applicable bankruptcy or debtor relief law, together with any sums of money that may now or at any time hereafter be or become due and payable to Grantor by virtue of any and all royalties, overriding royalties, bonuses, delay rentals and any other amount of any kind or character arising under any and all present and all future oil, gas, mineral and mining leases covering the Property or any part thereof, and all proceeds and other amount paid or owing to Grantor under or pursuant to any and all contracts and bonds relating to the construction or renovation of the Property.

3.2 Assignment. Grantor hereby assigns to Fiscal Agent all Rents and all of Grantor's rights in and under all Leases. So long as no Event of Default has occurred which continues beyond the applicable notice and cure period, if any, Grantor shall have a license (which license shall terminate automatically and without further notice upon the occurrence of an Event of Default which continues beyond the applicable notice and cure period) to collect, but not prior to accrual, the Rents under the Leases and, where applicable, subleases, such Rents to be held in trust for Fiscal Agent, and to otherwise deal with all Leases as permitted by this Mortgage. Each month, prior to termination of such license, Grantor may retain such Rents as were collected that month and held in trust for Fiscal Agent. Upon the revocation of such license, all Rents shall be paid directly to Fiscal Agent and not through Grantor, all without the necessity of any further action by Fiscal Agent, including, without limitation, any action to obtain possession of the Land, Improvements or any other portion of the Property or any action for the appointment of a receiver. Grantor hereby authorizes and directs the tenants under the Leases to pay Rents to Fiscal Agent upon written demand by Fiscal Agent, without further consent of Grantor, without any obligation of such tenants to determine whether an Event of Default has in fact occurred and regardless of whether Fiscal Agent has taken possession of any portion of the Property, and the tenants may rely upon any written statement delivered by Fiscal Agent to the tenants. Any such payments to Fiscal Agent shall constitute payments to Grantor under the Leases, and Grantor hereby irrevocably appoints Fiscal Agent as its attorney-in-fact to do all things which Grantor might otherwise do with

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respect to the Property and the Leases thereon, including, without limitation, (i) collecting Rents with or without suit and applying the same, less expenses of collection, to any of the obligations secured hereunder or to expenses of operating and maintaining the Property (including reasonable reserves for anticipated expenses), at the option of Fiscal Agent, all in such manner as may be determined by Fiscal Agent, or, at the option of Fiscal Agent, holding the same as security for the payment of all obligations secured hereunder, (ii) leasing, in the name of Grantor, the whole or any part of the Property which may become vacant, and (iii) employing agents therefor and paying such agents reasonable compensation for their services; provided, however, that Grantor shall not exercise such rights as attorney-in-fact until there occurs an Event of Default which continues beyond the applicable notice and cure period, if any, under the terms of any Notes, this Mortgage or any other Loan Document. The curing of such Event of Default, unless other Events of Default also then exist, shall entitle Grantor to recover its aforesaid license to do any such things which Grantor might otherwise do with respect to the Property and the Leases thereon and to again collect such Rents. The powers and rights granted in this paragraph shall be in addition to the other remedies herein provided for upon the occurrence of an event of default (which continues beyond any applicable notice and cure period) and may be exercised independently of or concurrently with any of said remedies. Nothing in the foregoing shall be construed to impose any obligation upon Fiscal Agent to exercise any power or right granted in this paragraph or to assume any liability under any Lease of any part of the Property and no liability shall attach to Fiscal Agent for failure or inability to collect any Rents under any such Lease. The assignment contained in this Section shall become null and void upon the release of this Mortgage.

3.3 Covenants, Representations and Warranties Concerning Leases and Rents. Grantor covenants, represents and warrants that: (a) Grantor has good title to, and is the owner of the entire landlord's interest in, the Leases and Rents hereby assigned and authority to assign them; (b) all Leases are valid and enforceable, and in full force and effect, and are unmodified except as stated therein; (c) Grantor is not in default under any Lease (and no event has occurred which with the passage of time or notice or both would result in a default under any Lease) or is the subject of any bankruptcy, insolvency or similar proceeding; (d) unless otherwise stated in a Permitted Lien, no Rents or Leases have been or will be assigned, mortgaged, pledged or otherwise encumbered and no other person has or will acquire any right, title or interest in such Rents or Leases; (e) except for commercially reasonable incentives offered during lease-up or in the ordinary course of business, no Rents have been waived, released, discounted, set off or compromised; (f) except as stated in the Leases, Grantor has not received any funds or deposits from any tenant for which credit has not already been made on account of accrued Rents; (g) Grantor shall perform all of its obligations under the Leases and enforce the tenants' obligations under the Leases to the extent enforcement is prudent under the circumstances; (h) Grantor will not without the prior written consent of Fiscal Agent, receive or collect Rents more than one (1) month in advance or modify, extend or renew the Leases on any terms that would be materially adverse to the value of the Leases and Rents assigned hereunder; (i) Grantor shall as often as requested by Fiscal Agent, within ten (10) days of each request, deliver to Fiscal Agent a complete rent roll of the Property in such detail as Fiscal Agent may require; (j) promptly upon request by Fiscal Agent, Grantor shall deliver to Fiscal Agent executed copies of all Leases and copies of all records relating thereto; and (k) there shall be no merger of the leasehold estates, created by the Leases, with the fee estate of the Land without the prior written consent of Fiscal Agent.

3.4 No Liability of Fiscal Agent. Fiscal Agent's acceptance of this assignment shall not be deemed to constitute Fiscal Agent a "Grantee in possession," nor obligate Fiscal Agent to appear in or defend any proceeding relating to any Lease or to the Property, or to take any action hereunder, expend any money, incur any expenses, or perform any obligation or liability under any Lease, or assume any obligation for any deposit delivered to Grantor by any tenant and not as such delivered to and accepted by Fiscal Agent. Fiscal Agent shall not be liable for any injury or damage to person or property in or about the Property, or for Fiscal Agent's failure to collect or to exercise diligence in collecting Rents, but shall

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be accountable only for Rents that it shall actually receive. Neither the assignment of Leases and Rents nor enforcement of Fiscal Agent's rights regarding Leases and Rents (including collection of Rents) nor possession of the Property by Fiscal Agent nor Fiscal Agent's consent to or approval of any Lease (nor all of the same), shall render Fiscal Agent liable on any obligation under or with respect to any Lease or constitute affirmation of, or any subordination to, any Lease, occupancy, use or option.

If Fiscal Agent seeks or obtains any judicial relief regarding Rents or Leases, the same shall in no way prevent the concurrent or subsequent employment of any other appropriate rights or remedies nor shall same constitute an election of judicial relief for any foreclosure or any other purpose. Fiscal Agent neither has nor assumes any obligations as lessor or landlord with respect to any Lease. The rights of Fiscal Agent under this Section shall be cumulative of all other rights of Fiscal Agent under the Loan Documents or otherwise.

Article 4

Insurance, Casualty and Condemnation

4.1 Casualty Insurance. Grantor will keep the Property insured as may be required from time to time by Fiscal Agent against loss by fire, windstorm and other hazards, casualties and contingencies which are covered by so-called "all-risk" insurance, and such additional contingencies and types of casualty as Fiscal Agent may require. Unless otherwise specified by Fiscal Agent, all insurance required hereunder shall be for one hundred percent (100%) of the full replacement cost of the Property. Each policy of casualty insurance shall (a) contain a standard Grantee clause making all loss payable under such policy payable to Fiscal Agent as its interest may appear; (b) provide that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Grantor which might otherwise result in forfeiture of said insurance; (c) contain a waiver by the insurer of all rights of setoff, counterclaim or deduction against Fiscal Agent; (d) include an agreed amount endorsement and a replacement cost endorsement; and (e) include a broad form boiler and machinery endorsement if any fired pressure vessels or piping or machinery of 10 or more horsepower is located on the Land.

If at any time Grantee is not in receipt of written evidence that all insurance required hereunder is in full force and effect, Grantee shall have the right, without notice to Grantor, to take such action as Grantee deems necessary to protect its interest in the Property, including, without limitation, pursuant to the terms of the Collateral Protection Act, 815 ILCS 180/1 et seq., Grantee may purchase insurance at Grantor's expense to protect Grantee's interests in the Property and to maintain the insurance required by this Instrument. This insurance may, but need not, protect Grantor's interests. The coverage purchased by Grantee may not pay any claim made by Grantor or any claim that is made against Grantor in connection with the Property or any required insurance policy. Grantor may later cancel any insurance purchased by Grantee, but only after providing Grantee with evidence that Grantor has obtained insurance as required by this Instrument. If Grantee purchases insurance for the Property or insurance otherwise required by this Instrument, Grantor will be responsible for the reasonable costs of that insurance, including interest and other charges imposed by Grantee in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance shall be paid by Grantor to Grantee within ten (10) days after written notice requesting payment thereof, and until paid shall be secured by this Instrument, shall bear interest at the Default Rate and shall be added to the Obligations. The cost of the insurance may be more than the cost of insurance Grantor is able to obtain on its own.

4.2 Damage or Destruction of Property. Grantor will give Fiscal Agent prompt notice of any damage to or destruction of the Property, and in case of loss covered by policies of insurance, Fiscal

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Agent (whether before or after foreclosure sale) is hereby authorized at its option to settle and adjust any claim arising out of such policies and collect and receipt for the proceeds payable therefrom, subject to the provisions of Section 4.4 below. Any expense incurred by Fiscal Agent in the adjustment and collection of insurance proceeds (including the cost of any independent appraisal of the loss or damage on behalf of Fiscal Agent) shall be reimbursed to Fiscal Agent first out of any proceeds. The proceeds or any part thereof shall be applied to reduction of the Obligations then most remotely to be paid, whether due or not, without the application of any prepayment premium, or to the restoration or repair of the Property as provided in Section 4.4.

4.3 Condemnation. Grantor will give Fiscal Agent prompt notice of any action, actual or threatened, in condemnation or eminent domain and hereby assigns, transfers, and sets over to Fiscal Agent the entire proceeds of any award or claim for damages for all or any part of the Property taken or damaged under the power of eminent domain or condemnation, Fiscal Agent being hereby authorized to intervene in any such action and to collect and receive from the condemning authorities and give proper receipts and acquittances for such proceeds. Grantor will not enter into any agreements with the condemning authority permitting or consenting to the taking of the Property unless prior written consent of Fiscal Agent is obtained. Any expenses incurred by Fiscal Agent in intervening in such action or collecting such proceeds (including the cost of any independent appraisal) shall be reimbursed to Fiscal Agent first out of the proceeds. The proceeds or any part thereof shall be applied upon or in reduction of the Obligations then most remotely to be paid, whether due or not, without the application of any prepayment premium, or to the restoration or repair of the Property as provided in Section 4.4. If any condemnation or insurance proceeds are applied to the Obligations as set forth above, and if any surplus proceeds remain after satisfaction in full of the Obligations, Fiscal Agent shall pay the surplus to Grantor or to such other person or persons as may be legally entitled thereto.

4.4 Use of Proceeds to Repair or Replace. If no uncured Event of Default has occurred and is continuing beyond any applicable notice and cure period, Grantor may negotiate and settle any claim with the insurer or condemning authority, as the case may be, subject to Fiscal Agent's written approval, which will not be unreasonably withheld. Fiscal Agent acknowledges and agrees that any insurance proceeds which are paid as a result of any loss, damage or destruction of any Property, or any proceeds payable as a result of any condemnation or taking of any portion thereof by any governmental authority, shall be used for repair and restoration of such Property, provided that Fiscal Agent shall not be obligated to so apply such proceeds and awards unless all of the following conditions are met: (a) Grantor is not in breach or default of any provision of the Loan Documents; and (b) Fiscal Agent determines in its reasonable discretion that there will be sufficient funds through such proceeds and awards, income from the Property and contributions by Grantor, or from other sources to (i) complete such repair and restoration, and (ii) meet all operating costs and other expenses, payments for reserves and loan repayment obligations relating to the Property during the period of repair and restoration.

4.5 Forced Insurance. UNLESS GRANTOR PROVIDES EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY THIS MORTGAGE, FISCAL AGENT MAY PURCHASE INSURANCE AT GRANTOR'S EXPENSE TO PROTECT FISCAL AGENT AND GRANTEE'S INTERESTS IN THE COLLATERAL. THIS INSURANCE MAY, BUT NEED NOT, PROTECT GRANTOR'S INTERESTS. THE COVERAGE THAT FISCAL AGENT PURCHASES MAY NOT PAY ANY CLAIM THAT GRANTOR MAKES OR ANY CLAIM THAT IS MADE AGAINST GRANTOR IN CONNECTION WITH THE COLLATERAL. GRANTOR MAY LATER CANCEL ANY INSURANCE PURCHASED BY FISCAL AGENT, BUT ONLY AFTER PROVIDING EVIDENCE THAT GRANTOR HAS OBTAINED INSURANCE AS REQUIRED BY THIS MORTGAGE. IF FISCAL AGENT PURCHASES INSURANCE FOR THE COLLATERAL, GRANTOR WILL BE RESPONSIBLE FOR THE COSTS OF THAT INSURANCE, INCLUDING THE INSURANCE PREMIUM, INTEREST AND ANY OTHER CHARGES FISCAL AGENT MAY

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IMPOSE IN CONNECTION WITH THE PLACEMENT OF THE INSURANCE, UNTIL THE EFFECTIVE DATE OF THE CANCELLATION OR EXPIRATION OF THE INSURANCE. THE COSTS OF THE INSURANCE MAY BE ADDED TO THE TOTAL OUTSTANDING LOAN BALANCE OR OBLIGATION. THE COSTS OF THE INSURANCE MAY BE MORE THAN THE COST OF INSURANCE GRANTOR MAY BE ABLE TO OBTAIN ON ITS OWN.

Article 5 Environmental Covenants

5.1 As used herein, the term "*Hazardous Material*" means any radioactive, hazardous, or toxic substance, material, waste, chemical, or similar item, the presence of which on the Property, or the discharge, emission, release, or threat of release of which on or from the Property, is prohibited or otherwise regulated by any laws, ordinances, statutes, codes, rules, regulations, orders, and decrees of the United States, the State of Illinois, and all local or governmental or regulatory authorities exercising jurisdiction over Grantor or the Property, or which require special handling in collection, storage, treatment, or disposal by any such laws or requirements. The term Hazardous Material includes, but is not limited to, any material, substance, waste or similar item which is now or hereafter defined as a hazardous material, substance or term of similar meaning under the laws of the State of Illinois, the Federal Water Pollution Control Act (33 U.S.C. Section 1317), the Federal Resource Conservation and Recovery Act (RCRA) (42 U.S.C. Section 6901, et seq.), the Federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and (SARA) (42 U.S.C. Section 9601, et seq.), any rules or regulations adopted by any administrative agency, including, but not limited to, the Environmental Protection Agency, the Department of Transportation, and any similar state or local agency having jurisdiction over the Property or the Hazardous Material, whether or not such rules and regulations have the force of law. All federal, state and local rules, regulations, laws and ordinances relating to Hazardous Material or other environmental matters are referred to in this Article as "*Environmental Laws*."

5.2 From the date hereof Grantor and Grantor's agents, contractors, employees and tenants shall not engage in any of the following prohibited activities, and Grantor shall use its best and diligent efforts to see that Grantor's employees, agents, invitees and tenants, shall not:

- a. Cause or permit any release, discharge or threat of release of Hazardous Material on or from the Property in violation of Environmental Laws; or
- b. Cause or permit any manufacturing, transporting, spilling, leaking, or dumping of Hazardous Material in or on any portion of the Property, except in the ordinary course of Grantor's business on the Property and in a manner not to allow any contamination of the Property and in accordance with all Environmental Laws; or
- c. Cause or permit any holding, handling or retaining of Hazardous Material in or on any portion of the Property, except in the ordinary course of Grantor's business on the Property and in a manner not to allow any contamination of the Property and in accordance with all Environmental Laws; or
- d. Otherwise place, keep, or maintain, or allow to be placed, kept, or maintained, any Hazardous Material on any portion of the Property, except in the ordinary course of Grantor's business on the Property and in a manner not to allow any contamination of the Property and in accordance with all Environmental Laws.

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5.3 Grantor and its agents, contractors, employees and tenants shall comply, and cause the Property to comply, with all Environmental Laws.

5.4 If Hazardous Material is discovered on the Property and if removal is required by Environmental Laws, Grantor shall pay immediately when due the cost of removal of any Hazardous Material from the Property in compliance with all Environmental Laws, and keep the entire Property free of any lien imposed pursuant to any and all Environmental Laws. Within thirty (30) days after demand by Fiscal Agent, Grantor shall obtain and deliver to Fiscal Agent a bond, letter of credit, or similar financial assurance for the benefit of Fiscal Agent, evidencing, to Fiscal Agent's satisfaction in its sole discretion, that the necessary funds are available to pay the cost of removing, treating, and disposing of all Hazardous Material on the Property or any contamination caused thereby, and discharging any assessments or liens which may be established on the Property as a result thereof.

5.5 Grantor covenants to:

a. Give written notice to Fiscal Agent immediately upon Grantor's acquiring knowledge of the presence of any Hazardous Material on the Property or of any Hazardous Material contamination thereon, with a full description thereof;

b. Immediately advise to Fiscal Agent in writing of any notices received by Grantor or Grantor's agents, contractors, authorized representatives and employees, alleging that the Property contains Hazardous Material or contamination thereof, or that a violation or potential violation of any Environmental Laws by Grantor or its agents exists on the Property;

c. Immediately advise to Fiscal Agent in writing upon discovery of any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened with respect to the Property or any real estate adjoining the Property;

d. Immediately advise Fiscal Agent in writing of all claims made or threatened by any third party against Grantor, Grantor's agents, contractors, authorized representatives or employees relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Material pertaining to the Property; and

e. Immediately advise Fiscal Agent in writing upon Grantor's discovery or any discovery by Grantor's agents, contractors, authorized representatives, employees or tenants, of any occurrence or condition on any real property adjoining or in the vicinity of the Property which does, or could, cause the Property, or any part thereof, to contain Hazardous Material or otherwise be in violation of any Environmental Laws, or cause the Property to be subject to any restrictions on the ownership, occupancy, transferability or use thereof under any Environmental Laws.

5.6 Fiscal Agent shall have the right, but not the obligation, to cause all Hazardous Material and Hazardous Material contamination found on or in the Property to be removed therefrom, if required by Environmental Laws. In such event, the cost of the removal, including all expenses, charges, and fees incurred by Grantor in connection therewith, including attorneys', engineers', and consultants' fees, shall be payable by Grantor on demand, and shall bear interest at the rate provided in the Notes from the date advanced until paid. Grantor shall give to Fiscal Agent, and their agents and employees access to the Property for such purposes, and Grantor hereby grants to Fiscal Agent, and their agents, contractors authorized representatives and employees, full right and authority to remove any such Hazardous Material and Hazardous Material contamination from the Property.

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5.7 If at any time Fiscal Agent has reasonable cause to believe that an environmental condition in violation of this Mortgage exists, Fiscal Agent may notify Grantor in writing that it desires a site assessment or environmental audit (“*Audit*”) of the Property to be made, and at any time thereafter cause such Audit to be made of the Property at Grantor’s sole expense. Such Audit(s) shall be performed in a manner reasonably calculated to confirm and verify compliance with the provisions of this Section 5.7 Grantor covenants to reasonably cooperate with the persons conducting the Audit to allow entry and reasonable access to all portions of the Property for the purpose of the Audit, to supply the auditors with all available historical and operational information regarding the Property (of which Grantor has possession) as may reasonably be requested by the auditors, and to make available for meetings with the auditors appropriate personnel having knowledge of matters relevant to the Audit. Grantor covenants to comply, at its sole cost and expense, with all recommendations contained in the Audit, including any recommendation for additional testing and studies to detect the presence of Hazardous Material, or to otherwise confirm and verify Grantor’s compliance with the provisions of this Section, to the extent required by Fiscal Agent.

5.8 Grantor hereby agrees to defend, indemnify and hold Grantee, Fiscal Agent, (including the respective heirs, successors, assigns, employees, contractors, agents, officers and directors of Fiscal Agent) harmless from, and all actions, loss, liability, damage, cost or expense occasioned by, resulting from, or consequent to any Hazardous Material or Hazardous Material contamination on the Property; any releases or discharges of Hazardous Material from the Property; any manufacturing, treating, storing, maintaining, holding, handling, transporting, spilling, leaking or dumping of Hazardous Material on, from or at the Property; any other violation of Hazardous Material laws, ordinances, rules and regulations; any claim or assertion that any Hazardous Material or Hazardous Material contamination is located on the Property; any claim that any such activities or violations have been, or are being, engaged in on the Property; or any other failure or alleged failure of Grantor, Grantor’s agents, contractors, authorized representatives or employees to comply with the provisions of this Agreement. This indemnity shall be enforceable notwithstanding any attempts by Grantor to exercise due diligence in ascertaining whether or not any of the events outlined above affect the Property. The loss, liability, damage, cost, or expense which is covered by this indemnity shall include, without limitation, all foreseeable consequential damages; the costs of any required or necessary repair, cleanup or detoxification of the Property, including the soil and ground water thereof, and the preparation and implementation of any closure, remedial or other required plans; damage to any natural resources; and all reasonable costs and expenses incurred by Fiscal Agent in connection with the above, including but not limited to attorneys’ and consultants’ fees. This indemnity shall survive any foreclosure of this Mortgage as to any such release or threat of release or any such violation, alleged violation or other liability occurring or arising prior to such foreclosure. The foregoing indemnity shall exclude any loss, liability, damage, cost or expense to the extent caused by or arising from the direct actions or omissions of any of the foregoing indemnitees.

Article 6 Uniform Commercial Code

6.1 **Security Agreement.** This Mortgage shall constitute a security agreement and financing statement as defined in the Illinois Uniform Commercial Code (the “*UCC*”), and Grantor hereby grants to Fiscal Agent a security interest within the meaning of the UCC in favor of Fiscal Agent on all of the Personal Property Collateral. For purposes of treating this Mortgage as a security agreement, financing statement and fixture filing, Fiscal Agent shall be deemed to be the Secured Party and Grantor shall be deemed to be the Debtor.

6.2 **Representations and Agreements.** (a) Grantor is and will be the true and lawful owner of the Personal Property Collateral, subject to no liens, charges, security interest and encumbrances other

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than the lien hereof, and any other lien created by the Loan Documents; (b) the Personal Property Collateral is to be used by Grantor solely for business purposes being installed upon the Real Property for Grantor's own use or as the equipment and furnishings leased or used by Grantor, for the benefit of the Real Property; (c) the Personal Property Collateral will not be removed from the Real Property without the consent of Fiscal Agent except in accordance with Section 6.3 hereof; (d) unless stated otherwise in this Mortgage the only persons having any interest in the Personal Property Collateral are Grantor, and Fiscal Agent and no financing statement covering all or any part of the Personal Property Collateral is on file in any public office except pursuant hereto; (e) the remedies of Fiscal Agent hereunder are cumulative and separate, and the exercise of any one or more of the remedies provided for herein or under the UCC shall not be construed as a waiver of any of the other rights of Fiscal Agent including having such Personal Property Collateral deemed part of the realty upon any foreclosure thereof; (f) if notice to any party of the intended disposition of the Personal Property Collateral is required by law in a particular instance, such notice shall be deemed commercially reasonable if given at least ten (10) days prior to such intended disposition and may be given by advertisement in a newspaper accepted for legal publication either separately or as part of a notice given to foreclose the Real Property or may be given by private notice if such parties are known to Fiscal Agent; (g) Grantor will from time to time provide Fiscal Agent on request with itemizations of all Personal Property Collateral on the Real Property; (h) the filing of a financing statement pursuant to the UCC shall never impair the stated intention of the Deed of Trust that all Improvements and fixtures on the Property, are, and at all times and for all purposes and in all proceedings both legal or equitable shall be regarded as part of the Real Property irrespective of whether such item is physically attached to the Real Property or any such item is referred to or reflected in a financing statement; (i) Grantor authorizes Fiscal Agent to file any and all financing statements that may from time to time be required by Fiscal Agent to establish and perfect the priority of Fiscal Agent's security interest in the Personal Property Collateral; (j) Grantor shall give advance written notice of any proposed change in Grantor's name, identity or structure and authorizes Fiscal Agent to file, prior to or concurrently with such change all additional financing statements that Fiscal Agent may require to establish and perfect the priority of Fiscal Agent's security interest; (k) Grantor shall renew (upon Fiscal Agent's request at the time renewal is required) and pay all expenses of renewing the financing statement covering the Personal Property Collateral in the event the security interest in such Personal Property Collateral will expire by reason of statutory law prior to the end of the term of this Mortgage, (l) Grantor, for itself and its successors and assigns, covenants and agrees that all of its rights and powers under this Mortgage are subordinate and subject to the rights of Allocating Agency under Section 5.1 of that certain Low Income Housing Tax Credits Regulatory Agreement dated March 1, 2023 ("*Regulatory Agreement*"), (m) Grantor, for itself and its successors and assigns, further covenants and agrees that in the event of the appointment of a receiver or of the appointment of the Grantee as Grantee-in-possession, in any action by the Grantee, its successors or assigns, to foreclose the mortgage, no rents, revenue or other income of the Property collected by the receiver or by the Grantee-in-possession shall be utilized for the payment of interest, principal or any other charges due and payable under this Mortgage, except from surplus cash available for distribution, if any, as the term is defined in the Regulatory Agreement; and further, the receiver or Grantee-in-possession shall operate the Property in accordance with all the provisions of the Regulatory Agreement.

6.3 Maintenance of Personal Property Collateral. Subject to the provisions of this Section, in any instance where Grantor in its discretion determines that any Personal Property Collateral has become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary for the operation of the Real Property, Grantor may, at its expense, remove and dispose of it and substitute and install other items not necessarily having the same function, provided, that such removal and substitution shall not impair the operating utility and unity of the Real Property. All substituted items shall become a part of the Property and subject to the lien of the Deed of Trust and the security interest granted hereby. Any amounts received or allowed Grantor upon the sale or other disposition of the removed Personal Property Collateral shall be applied only against the cost of acquisition and installation of the substituted items.

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Nothing herein contained shall be construed to prevent any tenant or subtenant from removing from the Property fixtures, furniture and equipment installed by, and removable by tenant under the terms of its Lease, on the condition, however, that the tenant or subtenant shall at its own cost and expense, repair any and all damages to the Property resulting from or caused by the removal thereof.

6.4 Fixture Filing. This Instrument shall be effective as a financing statement filed as a fixture filing with respect to all fixtures included within the Property and is to be filed for record in the real estate records of each county where any part of the Property (including said fixtures) is situated. The mailing address of Grantor (as Debtor) and the Fiscal Agent (as Secured Party) are set forth on the first page of this Mortgage. A carbon, photographic or other reproduction of this Instrument or of any financing statement relating to this Instrument shall be sufficient as a financing statement for any of the purposes referred to in this Section 6.4.

Article 7 Default And Remedies

7.1 Events of Default. Any of the following beyond any applicable notice and cure period shall constitute an "Event of Default" hereunder:

a. Grantor shall fail to pay any amount due under the Loan Documents or any of the other Obligations as and when the same become due and payable, or shall fail to pay any other sums, amounts, charges, costs and expenses when the same become due and payable by Grantor as provided for herein, in the Notes or in any of the other Loan Documents, provided that such failure shall become an Event of Default only if it remains uncured after expiration of the notice and cure periods, if any, allowed under the applicable Notes or other Loan Documents;

b. Any representation or warranty of Grantor contained herein or in any of the other Loan Documents shall be false in any material respect or fail to remain a materially true representation or warranty;

c. Grantor shall default in the performance of any of the terms, provisions, covenants, conditions and requirements imposed upon it herein, in the Notes, the Bonds, or in any of the other Loan Documents, after any applicable notice and cure periods;

d. Grantor shall (i) consent to the appointment of a receiver, trustee or liquidator of all or a substantial part of Grantor's assets, or (ii) become bankrupt or insolvent, or file any debtor proceeding or file in any court pursuant to any law either of the United States or of any state, a petition in bankruptcy, insolvency or for reorganization, or (iii) make a general assignment for the benefit of creditors, or (iv) file a petition or answer seeking reorganization or arrangement with creditors or to take advantage of any insolvency law, or (v) file an answer admitting the material allegations of a petition filed against Grantor in any bankruptcy, reorganization or insolvency proceedings, or (vi) take any action for the purpose of effecting any of the foregoing, or (vii) generally not pay its debts as such debts become due, or shall admit in writing its inability to pay debts generally;

e. Any order, judgment or decree shall be entered upon an application of a creditor of Grantor by a court of competent jurisdiction approving a petition seeking appointment of a receiver or trustee of all or a substantial part of Grantor's assets and such order, judgment or decree shall continue unstayed and in effect for a period of thirty (30) consecutive days;

f. Except as specifically permitted under the Loan Documents, any assignment (by operation of law or otherwise), sale, transfer, mortgage, conveyance or lease of the Property or any part

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thereof or any right, title or interest therein (including, without limitation, any oil, gas or other mineral interest) shall be made or contracted for without the prior written consent of Fiscal Agent; if Grantor is a corporation, any merger, dissolution or consolidation pursuant to which the Property or any part thereof or interest therein vests in any successor in interest to Grantor (or any entity other than Grantor herein named) shall be deemed an assignment for purposes hereof; or

g. All or any substantial portion (as determined by Grantee in its sole discretion) of the Property shall be damaged by fire or other casualty or be subject to any taking by exercise of the power of eminent domain, and the Property is not rebuilt or restored pursuant to Continuing Covenants Agreement.

The Limited Partner shall receive notice of any default pursuant to the Continuing Covenant Agreement and have the right to cure any Event of Default existing under the Loan Documents which right must be exercised by the later of (a) the cure period provided in the Loan Documents, or (b) 15 days after receipt of written notice of default by the Limited Partner. For Limited Partner to exercise effectively its cure rights, Limited Partner must fully pay the amount past due or perform the defaulted obligations, including the payment of any amounts due for legal expenses incurred in connection with the default. Notwithstanding anything to the contrary in the Loan Documents, upon the occurrence of an Event of Default under any Loan Document arising out of: (i) the bankruptcy, insolvency or assignment of assets for the benefit of creditors by General Partner of Grantor or by any Guarantor, or (ii) the withdrawal from General Partner of Grantor or Guarantor, or the death or incapacity of General Partner of Grantor or Guarantor, or (iii) a breach of the representations concerning such General Partner of Grantor or any Guarantor, the Limited Partner shall have the option, but not the obligation, within 45 days of receipt of written notice of such Event of Default from Fiscal Agent, to cure any such default by appointing a substitute or additional General Partner of Grantor or Guarantor that is an affiliate of Limited Partner to act as such General Partner of Grantor or Guarantor.

7.2 Remedies Upon Default. At any time after an Event of Default has occurred and after expiration of all applicable notice and cure periods, if any, the whole of the Obligations shall become due without notice or demand at Fiscal Agent's option forthwith or thereafter at the continuing option of Fiscal Agent, this Mortgage shall remain in force, and Fiscal Agent may exercise any right, power or remedy permitted to it by law or by contract, and in particular, without limiting the generality of the foregoing, Fiscal Agent shall have the absolute right, at their option and election, to pursue one or more of the following rights:

a. Fiscal Agent shall be entitled thereupon or thereafter without notice or demand, to the extent permitted by the laws of the State of Illinois, (i) to institute suit at law or in equity to enforce the rights of Fiscal Agent, and (ii) to enforce, at Fiscal Agent's continuing option, payment of all sums secured hereby by action at law or by suit in equity to foreclose this Mortgage, either or both, concurrently or otherwise; and one action or suit shall not abate or be a bar to or waiver of Fiscal Agent's right to institute or maintain the other, provided that Fiscal Agent shall have only one payment and satisfaction of the Obligations;

b. Fiscal Agent shall have the right from time to time to take action to recover any of the Obligations, as the same become due, without regard to whether or not any of the other Obligations shall be due, and without prejudice to the right of Fiscal Agent thereafter to bring an action of foreclosure, or any other action, with respect to any Event of Default existing at the time such earlier action was commenced; or

c. Fiscal Agent may proceed to sell the Property and any and every part thereof, at public vendue, to the highest bidder, at the customary place for such sales in the county in which the Land

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is located, for cash, first giving the public notice required by law of the time, terms, and place of sale, and of the property to be sold; and upon such sale shall execute and deliver a deed of conveyance of the property sold to the purchaser or purchasers thereof, and any statement or recital of fact in such deed in relation to the nonpayment of money hereby secured, existence of the Obligations, notice of advertisement, sale, receipt of money, and the happening of any of the events whereby any successor trustee became successor as herein provided, shall be prima facie evidence of the truth of such statement or recital; and Fiscal Agent shall receive the proceeds of such sale, out of which Fiscal Agent shall pay: first, the cost and expenses of executing this trust, including publication and attorneys' fees and compensation to Fiscal Agent for his services; next to the payment of the Obligations, in such order as Fiscal Agent may elect; and the balance of such proceeds, if any, shall be paid to the person or persons legally entitled thereto. Fiscal Agent covenants faithfully to perform the trust herein created. Until a sale shall be held hereunder, Fiscal Agent hereby lets the Property to Grantor, upon the following terms and conditions, to-wit: Grantor, and every and all persons claiming or possessing the Property, or any part thereof, by, through, or under Grantor shall or will pay rent therefor during said term at the rate of one cent per month, payable monthly upon demand and shall and will surrender peaceable possession of the Property, and any and every part thereof, to Fiscal Agent, its successors, assignees, or purchasers thereof, without notice or demand therefor, upon the occurrence of any Event of Default.

d. In addition to the rights available to a Grantee of real property, Fiscal Agent and Fiscal Agent shall also have all the rights, remedies and recourse available to a secured party under the UCC, including, without limitation, the right to proceed under the provisions of the UCC governing default as to collateral, against any Personal Property Collateral, or to proceed as to such Personal Property Collateral in accordance with the procedures and remedies available pursuant to a foreclosure of real estate.

7.3 Right of Fiscal Agent to Credit Sale. Upon any sale or sales made hereunder, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Fiscal Agent may bid for and acquire the Property or any part thereof and, in lieu of paying cash therefor, may make settlement for the purchase price by crediting upon the Obligations the net sales price after deducting therefrom the expenses of sale and the cost of the action and any other sums which Fiscal Agent is authorized to deduct under this Mortgage, and, in such event, this Mortgage and the Notes or other evidence of Obligations may be presented to the persons or person conducting the sale in order that the amount so used or applied may be credited upon the Obligations as having been paid.

7.4 Appointment of Receiver. Upon any Default and after expiration of all applicable notice and cure periods, if any, Fiscal Agent shall be entitled without notice to Grantor to apply at any time to a court having jurisdiction thereof for the appointment of a receiver of the Property or any part thereof and of all rents, incomes, profits, issues and revenues thereof, from whatever source derived; and all parties expressly covenant and agree that the court shall forthwith appoint such receiver with the usual powers and duties of receivers in like cases; and said appointment shall be made by the court ex parte as a matter of strict right to Fiscal Agent, and without reference to the adequacy or inadequacy of the value of the Property, or to the solvency or insolvency of Grantor or any party defendant to such suit. Grantor hereby specifically waives the right to object to the appointment of a receiver and hereby expressly consents that such appointment may be made ex parte and without notice to Grantor as an admitted equity and as a matter of absolute right to Fiscal Agent. In order to maintain and preserve the Property and to prevent waste and impairment of its security, Fiscal Agent may, at its option, advance monies to the appointed receiver and all such sums advanced shall become Obligations and shall bear interest from the date of such advance at the rate specified in the Notes.

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7.5 Remedies Cumulative. No remedy conferred upon or reserved to Fiscal Agent herein, or in the Notes or any of the other Loan Documents is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every remedy given to Fiscal Agent or now or hereafter existing at law or in equity or by statute. No delay or omission by Fiscal Agent in the exercise of any right or power accruing upon any Event of Default shall impair any such right or power, or shall be construed to be a waiver of any such Event of Default or any acquiescence therein; and every power and remedy given in this Mortgage, or in the Notes or any of the other Loan Documents, to Fiscal Agent may be exercised from time to time as often as may be deemed expedient by Fiscal Agent. Nothing in this Mortgage or the Notes or in any of the other Loan Documents shall affect the obligation of Grantor to pay the Obligations in the manner and at the time and place therein respectively expressed. In the event of foreclosure Grantor shall be fully liable for any deficiency.

7.6 No Waiver. Any failure by Fiscal Agent to insist upon the strict performance by Grantor of any of the terms and provisions of this Mortgage, the Notes or the other Loan Documents shall not be deemed to be a waiver of any of the terms and provisions hereof or of the Notes or the other Loan Documents, and Fiscal Agent, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Grantor of any and all of the terms and provisions of this Mortgage or of the Notes or the other Loan Documents to be performed by Grantor; and Fiscal Agent may resort for the payment of the Obligations to the Property or to any other security therefor held by Fiscal Agent in such order and manner as Fiscal Agent may elect.

7.7 Waiver of Redemption and Other Rights. To the extent permitted by the laws of the State of Illinois, Grantor will not at any time: (a) insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of, any stay or extension or moratorium law, any exemption from execution or sale of the Property or any part thereof, wherever enacted, now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage, nor (b) claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisal of the Property, or any part thereof, prior to any sale or sales thereof which may be made pursuant to any provision herein, or pursuant to the decree, judgment or order of any court of competent jurisdiction, nor (c) after any such sale or sales, claim or exercise any right under any statute heretofore or hereafter enacted, by any governmental authority or otherwise, to redeem the property so sold or any part thereof. Grantor, to the extent permitted by the laws of the State of Illinois, hereby expressly waives all benefit or advantage of any such law or laws, and covenants not to hinder, delay or impede the execution of any power herein granted or delegated to Fiscal Agent, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted. Grantor, for itself and all who claim under it, waives, to the extent permitted by the laws of the State of Illinois, all right to have the Property, or any other assets which secure the indebtedness hereby secured, marshaled upon any foreclosure hereof.

Article 8 Miscellaneous

8.1 Protection of Fiscal Agent's Security. Fiscal Agent may, at their option, and without waiving its right to accelerate the Obligations or any part thereof and to foreclose the same, pay either before or after delinquency any or all of those obligations required by the terms hereof to be paid by Grantor for the protection of the security or for the collection of any of the Obligations if not paid by Grantor not later than ten (10) days prior to the due date thereof. All sums so advanced or paid by Fiscal Agent shall become Obligations and shall bear interest from the date thereof at the rate specified in the Notes and become an integral part thereof, subject in all respects to the terms, conditions and covenants of the Notes and this Mortgage, excepting, however, that said sums shall be repaid to Fiscal Agent within ten (10) days after demand by Fiscal Agent to Grantor for said payment.

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8.2 Costs and Expenses. Grantor agrees to pay all fees and charges incurred in the procuring and making of this Mortgage or in the perfection of the lien hereof, including without limitation: fees and expenses relating to the examination of title to the Property; title insurance premiums, costs and expenses; surveys; mortgage recording, documentary, transfer, mortgage registration or similar fees or taxes; revenue stamps; architects', engineers' and other similar fees; and attorneys' fees. Grantor further agrees to pay all and singular the costs, charges and expenses, including attorneys' fees and abstract costs, reasonably incurred or paid at any time by Fiscal Agent because of the failure of Grantor to perform, comply with, and abide by each and every of the agreements, conditions and covenants of the Notes, this Mortgage, or any other Loan document.

8.3 Successors and Assigns. All of the grants, covenants, terms, provisions and conditions herein shall run with the Property, shall apply to and bind the heirs, successors and assigns of Grantor and shall inure to the benefit of the heirs, successors and assigns of Fiscal Agent.

8.4 Funds for and Proof of Payment of Taxes and Insurance. If required by Fiscal Agent, Grantor will pay to Fiscal Agent, on the first day of each and every consecutive month, a sum equal to one-twelfth of the annual amount necessary to pay all taxes and assessments against the Property, said monthly sum to be estimated solely by Fiscal Agent and calculated to be an amount not less than the amount of taxes and assessments assessed against the Property for the previous year, and if further required by Fiscal Agent, to pay all insurance premiums in manner and form as provided herein for the payment of taxes and assessments. Except as otherwise required by applicable law, no interest will be paid upon any sum held by Fiscal Agent pursuant to the terms hereof. If Fiscal Agent elects not to collect such fund for payment of taxes and insurance as aforesaid, Grantor will deliver to Fiscal Agent, prior to the date upon which any taxes or insurance premiums respecting the Property are due, proof satisfactory to Fiscal Agent evidencing payment of such amounts. Fiscal Agent shall have the right, at any time, to require Grantor to commence payment to the aforesaid fund regardless of any prior waiver by Fiscal Agent of such requirement.

8.5 Notices. All notices, approvals, waivers, consents, demands, requests and declarations (hereafter called "*notices*") given or required to be given by either party hereto to the other party shall be in writing. Except as otherwise provided by applicable law: (a) all notices by Fiscal Agent to Grantor shall be deemed to have been properly given if delivered in person or if sent by United States registered or certified mail, postage prepaid, addressed to Grantor as specified in the introductory paragraph of this Mortgage, with copies to the General Partner and Limited Partner(s) of Grantor (to the extent known to Fiscal Agent) at the addresses set forth in the Continuing Covenant Agreement, or to such other address as Grantor may from time to time designate by written notice to Fiscal Agent given as herein required; (b) all notices by Grantor to Fiscal Agent shall be deemed to have been properly given if sent by United States registered or certified mail, postage prepaid, addressed to Fiscal Agent as specified in the introductory paragraph of this Mortgage, or to such other address as Fiscal Agent may from time to time designate by written notice to Grantor given by Fiscal Agent, or their assigns, as herein required; and (c) notices given in the manner aforesaid shall be deemed sufficiently served or given for all purposes under this Mortgage, the Notes and the other Loan Documents at the time such notice is personally delivered or when deposited as aforesaid in any post office or branch post office regularly maintained by the United States Government.

8.6 Corrections and Future Acts. Grantor will, upon request of Fiscal Agent, promptly correct any defect, error, or omission which may be discovered in the contents of this Mortgage or in the execution or acknowledgment hereof, and will execute, acknowledge and deliver such further instruments and do such further acts as may be necessary or as may be reasonably requested by Fiscal Agent to carry out more effectively the purposes of this Mortgage, to subject to the lien and security interest hereby

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created any of Grantor's properties, rights or interest covered or intended to be covered hereby, and to perfect and maintain such lien and security interest.

8.7 Indemnification. Fiscal Agent shall be indemnified, held harmless, and reimbursed by Grantor for any liability, damage or expense, including attorneys' fees and amounts paid in settlement, which either may incur or sustain in the execution of this Mortgage or in the doing of any act which either is required or permitted to do by the terms hereof or by law, caused as results from the gross negligence or willful misconduct of Fiscal Agent.

8.8 Governing Law. This Mortgage shall be construed according to Illinois law, without reference to the conflicts of laws principles thereof.

8.9 Severability. If any provision or clause of this Mortgage shall be held or deemed to be or shall, in fact, be inoperative, invalid or unenforceable as applied in any particular case or in all cases because it conflicts with any provisions of any constitution or statute or rule of public policy, or for any other reason, such determination shall not affect in any way any other provision or clause herein which can be given effect without the inoperative, invalid or unenforceable provision or clause.

8.10 Amendments. No alteration or amendment of this Mortgage shall be effective unless in writing signed by the parties sought to be charged or bound thereby.

8.11 After-Acquired Property. All right, title and interest of Grantor in and to all improvements, betterments, renewals, substitutes and replacements of and all additions and appurtenances to, the Property hereafter acquired, constructed, assembled or placed by Grantor on the Property, and all conversions of the security constituted thereby, and any other or additional interest in or to the Property hereafter acquired by Fiscal Agent, immediately upon such acquisition, construction, assembly, placement or conversion, as the case may be, and in each such case without any further mortgage, grant, conveyance or assignment or other act of Grantor, shall become subject to the lien of this Mortgage as fully and completely, and with the same effect, as though now owned by Grantor and specifically described in the Granting Clause hereof.

8.12 Waiver of Jury Trial. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, GRANTOR HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND FOREVER WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST, WITH REGARD TO THE NOTES, THIS MORTGAGE OR THE OTHER LOAN DOCUMENTS, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY GRANTOR AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. FISCAL AGENT IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY GRANTOR.

ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT YOU (GRANTOR) AND US (GRANTEE) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS

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WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

Article 9 State-Specific Provisions

9.1 Principles of Construction. In the event of any inconsistencies between the terms and conditions of this Article 9 and the other terms and conditions of this Instrument, the terms and conditions of this Article 9 shall control and be binding.

9.2 Illinois Mortgage Foreclosure Law.

(a) It is the express intention of Grantor and Grantee that the rights, remedies, powers and authorities conferred upon the Grantee pursuant to this Instrument shall include all rights, remedies, powers, and authorities that a mortgagor may confer upon a mortgagee under the Illinois Mortgage Foreclosure Law, (735 ILCS § 5/15-1101 et seq.) (herein called the "**IMFL**") and/or as otherwise permitted by applicable law, as if they were expressly provided for herein. In the event that any provision in this Instrument shall be inconsistent with any provision in the IMFL, the provisions of the IMFL shall take precedence over the provisions of this Instrument, but shall not invalidate or render unenforceable any other provision of this Instrument that can be construed in a manner consistent with the IMFL.

(b) Without limiting the generality of the foregoing, all expenses incurred by Grantee to the extent reimbursable under Sections 15-1510 and 15-1512 of the IMFL, whether incurred before or after any decree or judgment of foreclosure, and whether provided for in this Instrument, shall be added to the Obligations secured by this Instrument or by the judgment of foreclosure.

(c) The powers, authorities and duties conferred upon the Grantee, in the event that the Grantee takes possession of the Property and, upon a receiver hereunder, shall also include all such powers, authority, and duties as may be conferred upon a mortgagee in possession or receiver under and pursuant to the IMFL. To the extent the IMFL may limit the powers, authorities, and duties purportedly conferred hereby, such power, authorities, and duties shall include those allowed, and be limited as proscribed by IMFL at the time of their exercise or discharge.

(d) Grantor knowingly and voluntarily waives, on behalf of itself and all persons or entities now or hereafter interested in the Property, to the fullest extent permitted by applicable law including IMFL, (i) all rights under all appraisal, homestead, moratorium, valuation, exemption, stay, extension, redemption, single action, election of remedies and marshalling statutes, laws, or equities now or hereafter existing; (ii) any and all requirements that at any time any action may be taken against any other person or entity and Grantor agrees that no defense based on any thereof will be asserted in any action enforcing this Instrument; and (iii) any and all rights to reinstatement and redemption as allowed under Section 15-1601(b) of the IMFL or to cure any defaults.

(e) BORROWER HEREBY KNOWINGLY AND VOLUNTARILY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHTS OF REDEMPTION FROM SALE OR OTHERWISE UNDER ANY ORDER OR DECREE OF FORECLOSURE, DISCLAIMS ANY STATUS WHICH IT MAY HAVE AS AN "OWNER OF REDEMPTION" AS THAT TERM MAY BE DEFINED IN SECTION 15-1212 OF THE IMFL, PURSUANT TO RIGHTS HEREIN GRANTED, ON BEHALF OF GRANTOR AND ALL PERSONS BENEFICIALLY INTERESTED THEREIN, AND EACH AND EVERY PERSON ACQUIRING ANY INTEREST IN,

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OR TITLE TO, THE PROPERTY DESCRIBED HEREIN SUBSEQUENT TO THE DATE OF THIS INSTRUMENT, AND ON BEHALF OF ALL OTHER PERSONS TO THE FULLEST EXTENT PERMITTED BY THE PROVISIONS OF THE ILLINOIS STATUTES.

9.3 Protective Advances.

a. All advances, disbursements, and expenditures made by Grantee before and during a foreclosure, before and after judgment of foreclosure and at any time prior to the sale, and, where applicable, after the sale, and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by the Loan Documents or by the IMFL (collectively "**Protective Advances**"), shall have the benefit of all applicable provisions of the IMFL, including those provisions of the IMFL hereinbelow referred to:

(i) all advances by Grantee in accordance with the terms of the Loan Documents to: (A) preserve or maintain, repair, restore, or rebuild the improvements upon the Property; (B) preserve the lien of this Instrument or the priority hereof; or (C) enforce this Instrument, each as referred to in subsection (b)(5) of Section 5/15-1302 of the IMFL;

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

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

(iv) reasonable attorneys' fees and other costs incurred: (A) in connection with the foreclosure of this Instrument as referred to in Sections 1504(d)(2) and 5/15-1510 of the IMFL; (B) in connection with any action, suit, or proceeding brought by or against the Grantee for the enforcement of this Instrument or arising from the interest of the Grantee hereunder; or (C) in the preparation for the commencement or defense of any such foreclosure or other action related to this Instrument or the Property;

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

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

(vii) reasonable expenses incurred and expenditures made by Grantee for any one or more of the following: (A) if the Property or any portion thereof constitutes one (1) or more units under a condominium declaration, assessments imposed upon the unit owner thereof which are required to be paid; (B) if Grantor's interest in the Property is a leasehold estate under a lease or sublease, rentals or other payments required to be made by the lessee under the terms of the lease or sublease; (C) premiums for casualty and liability insurance paid by Grantee, whether or not Grantee or a receiver is in possession, if reasonably required, in reasonable amounts, and

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all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or Grantee takes possession of the Property imposed by subsection (c)(l) of Section 5/15-1704 of the IMFL; (D) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (E) payments required or deemed by Grantee 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, agreement with any adjoining land owners, or instruments creating covenants or restrictions for the benefit of or affecting the Property; (F) shared or common expense assessments payable to any association or corporation in which the owner of the Property is a member in any way affecting the Property; (G) if the Loan is a construction loan, costs incurred by Grantee for demolition, preparation for, and completion of construction, as may be authorized by the applicable commitment, loan agreement, or other agreement; and (H) pursuant to any lease or other agreement for occupancy of the Property for amounts required to be paid by Grantor;

b. All Protective Advances shall be so much additional indebtedness secured by this Instrument, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the rate due and payable after a default under the terms of the Loan Documents;

c. This Instrument shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Instrument is recorded pursuant to subsection (b) of Section 5/15-1302 of the IMFL; and

d. All Protective Advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the IMFL, apply to and be included in:

(i) determination of the amount of indebtedness secured by this Instrument at any time;

(ii) the indebtedness found due and owing to the Grantee in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications, or findings by the court of any additional indebtedness becoming due after such entry of judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose;

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

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

(v) computation of any deficiency judgment pursuant to Section 5/15-1511 of the IMFL.

9.4 Agricultural or Residential Real Estate. Grantor acknowledges that the transaction of which this Instrument is a part is a transaction that does not include either agricultural real estate (as defined in Section 15-1201 of the IMFL) or residential real estate (as defined in Section 15-1219 of the IMFL).

9.5 Use of Proceeds. Grantor represents and warrants to Grantee that the proceeds of the obligations secured hereby shall be used solely for business purpose, and the entire principal obligations secured by this Instrument constitute (i) a "business loan" as that term is defined in, and for all purposes

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of, 815 ILCS 205/4(1)(c) and (ii) a "loan secured by a mortgage on real estate" within the purview and operation of 815 ILCS 205/4(1)(l).

[SIGNATURE PAGE FOLLOWS]

Property of Cook County Clerk's Office

COOK COUNTY CLERK'S OFFICE
RECORDING DIVISION
118 N. CLARK ST. ROOM 1200
CHICAGO, IL 60602-1387

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EXHIBIT A

LEGAL DESCRIPTION

***PARCEL 1:

LOTS 16 TO 25 IN BLOCK 16 IN COBE AND MCKINNON'S 63RD STREET AND CALIFORNIA AVENUE SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THE EAST HALF OF VACATED SOUTH TALMAN AVENUE ADJACENT TO AFORESAID LOTS, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 2:

A PERPETUAL, NON-EXCLUSIVE EASEMENT FOR PRIVATE INGRESS AND EGRESS BENEFITTING PARCEL 1 PURSUANT TO THAT CERTAIN EASEMENT AGREEMENT DATED MARCH 1, 2003 AND RECORDED MARCH 27, 2003 IN THE COOK COUNTY RECORDER'S OFFICE AS DOCUMENT NUMBER 0030415529 UPON, OVER AND ACROSS THE FOLLOWING DESCRIBED PROPERTY: ✓

LOTS 16 THROUGH 23, BOTH INCLUSIVE, IN BLOCK 15, TOGETHER WITH THE WEST HALF OF VACATED SOUTH TALMAN AVENUE LYING EAST OF THE EAST LINE OF SAID LOT 16 IN BLOCK 15, ALL IN COBE & MCKINNON'S 63RD STREET AND CALIFORNIA AVENUE SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.***

PERMANENT REAL ESTATE INDEX NUMBERS:

19-13-427-030-0000; 19-13-427-031-0000; 19-13-427-032-0000; 19-13-427-033-0000; 19-13-427-034-0000; 19-13-427-035-0000; 19-13-427-036-0000; 19-13-427-037-0000; 19-13-427-040-0000

COMMONLY KNOWN AS: 2626 W. 63RD STREET, CHICAGO, ILLINOIS 60629