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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Report Mortgage Fraud
844-768-1713



Doc# 2309415008 Fee \$133.00

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

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 04/04/2023 11:07 AM PG: 1 OF 17

The property identified as: **PIN:** 24-27-100-105-0000

Address:

Street: 4600 W 122nd Street

Street line 2:

City: Alsip

State: IL

ZIP Code: 60803

Lender: BELLCO CREDIT UNION

Borrower: Alsip Mazel LLC

Loan / Mortgage Amount: \$45,690,532.32

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

Certificate number: 7F9F2AF2-3DC3-4FC6-9264-3A91DD4B6EB9

Execution date: 3/28/2023

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RECORDATION REQUESTED BY:

BELLCO CREDIT UNION
 Business Services
 7600 E. Orchard Rd. Ste
 400N
 Greenwood Village, CO
 80111

WHEN RECORDED MAIL TO:

BELLCO CREDIT UNION
 Business Services
 7600 E. Orchard Rd. Ste
 400N
 Greenwood Village, CO
 80111

SEND TAX NOTICES TO:

BELLCO CREDIT UNION
 Business Services
 7600 E. Orchard Rd. Ste
 400N
 Greenwood Village, CO
 80111

FOR RECORDER'S USE ONLY**This Mortgage prepared by:**

Kutak Rock LLP
 1801 California Street, Suite 3000
 Denver, CO 80202

MORTGAGE

MAXIMUM LIEN. At no time shall the principal amount of indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed \$45,690,532.32.

THIS MORTGAGE dated March 28, 2023, is made and executed between Alsip Mazel LLC, a Delaware Limited Liability Company, whose address is 777 Chestnut Ridge Rd, Suite 301, Chestnut Ridge, NY 10977 (referred to below as "Grantor") and BELLCO CREDIT UNION, whose address is 7600 E. Orchard Rd. Ste 400N, Greenwood Village, CO 80111 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, warrants, and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Cook County, State of Illinois:

PARCEL 2:

LOTS 1, 2, 3, AND 4 IN ORCHARD ESTATES SUBDIVISION OF PART OF THE NORTHWEST ¼ OF SECTION 27, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 7, 1972 AS DOCUMENT 21860142, IN COOK COUNTY, ILLINOIS

PARCEL 3:

LOTS 1 AND 2 IN THE FIRST ADDITION TO ORCHARD ESTATES SUBDIVISION OF PART OF THE NORTHWEST ¼ OF SECTION 27, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 6, 1973 AS DOCUMENT 22428305, IN COOK COUNTY, ILLINOIS.

The Real Property or its address is commonly known as 4600 W 122nd Street and 12158 -12159 S Pulaski Rd, Alsip, IL 60803. The Real Property tax identification number is 24-27-100-105-0000, 24-27-100-103-0000, 24-27-100-104-0000, 24-27-100-106-0000, 24-27-100-108-0000, 24-27-100-109-0000.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B)

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MORTGAGE (Continued)

PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due and shall strictly perform all of Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable

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MORTGAGE (Continued)

all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Illinois law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain flood insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan. Flood insurance may be purchased under the National Flood Insurance Program, from private insurers providing "private flood insurance" as defined by applicable federal flood insurance statutes and regulations, or from another flood insurance provider that is both acceptable to Lender in its sole discretion and permitted by applicable federal flood insurance statutes and regulations.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the

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MORTGAGE (Continued)

proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Mortgage or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Mortgage or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon the occurrence of any Event of Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Mortgage:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without

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MORTGAGE (Continued)

limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

REINSTATEMENT OF SECURITY INTEREST. If payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment (A) to Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (B) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property, or (C) by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Grantor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Mortgage and this Mortgage shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Mortgage or of any note or other instrument or agreement evidencing the Indebtedness and the Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the Indebtedness or to this Mortgage.

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MORTGAGE (Continued)

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with the Property.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Default in Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the Indebtedness or Grantor's ability to perform Grantor's obligations under this Mortgage or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Mortgage or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Grantor's existence as a going business or the death of any member, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Right to Cure. If any default, other than a default in payment, is curable and if Grantor has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Grantor demanding cure of such default: (1) cures the default within twenty (20) days; or (2) if the cure requires more than twenty (20) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty that Grantor would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or

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MORTGAGE (Continued)

other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Mortgagee in Possession. Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The mortgagee in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the Indebtedness.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may judge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

NOTICES. Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

ADDENDUM TO MORTGAGE. An exhibit, titled "Addendum to Mortgage," is attached to this Mortgage and by this reference is made a part of this Mortgage just as if all the provisions, terms and conditions of the Exhibit had been fully set forth in this Mortgage.

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MORTGAGE (Continued)

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Governing Law. With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Property, this Mortgage will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the State of Illinois. In all other respects, this Mortgage will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Colorado without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Mortgage is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction that is evidenced by the Note and this Mortgage has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the State of Colorado.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Mortgage unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Mortgage shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Successors and Assigns. Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Waive Jury. All parties to this Mortgage hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all Indebtedness secured by this Mortgage.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Mortgage. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means Alsip Mazel LLC, a Delaware Limited Liability Company and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without

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MORTGAGE (Continued)

limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

Grantor. The word "Grantor" means Alsip Mazel LLC, a Delaware Limited Liability Company.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Mortgage, together with interest on such amounts as provided in this Mortgage.

Lender. The word "Lender" means BELLCO CREDIT UNION, its successors and assigns.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender.

Note. The word "Note" means the promissory note dated March 28, 2023, in the original principal amount of \$28,125,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is 6.425% per annum. Payments on the Note are to be made in accordance with the following payment schedule: 36 monthly consecutive interest payments, beginning May 5, 2023, with interest calculated on the unpaid principal balances at an interest rate of 6.425% per annum; 83 monthly consecutive principal and interest payments of \$176,479.63 each, beginning May 5, 2026, with interest calculated on the unpaid principal balances at an interest rate of 6.425% per annum; and one principal and interest payment of \$25,577,072.22 on April 5, 2033, with interest calculated on the unpaid principal balances at an interest rate of 6.425% per annum. This estimated final payment is based on the assumption that all payments will be made exactly as scheduled; the actual final payment will be for all principal and accrued interest not yet paid, together with any other unpaid amounts under the Note. The maturity date of the Note is April 5, 2033.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

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MORTGAGE (Continued)

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

ALSIP MAZEL LLC, A DELAWARE LIMITED LIABILITY COMPANY

By: Yaakov Hammer, Authorized Signatory of Alsip Mazel LLC, a Delaware Limited Liability Company

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF New York)
) SS
COUNTY OF Rockland)

On this 28th day of March, 2024 before me, the undersigned Notary Public, personally appeared **Yaakov Hammer, Authorized Signatory of Alsip Mazel LLC, a Delaware Limited Liability Company**, and known to me to be a member or designated agent of the limited liability company that executed the Mortgage and acknowledged the Mortgage to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Mortgage and in fact executed the Mortgage on behalf of the limited liability company.

By [Signature] Residing at _____

Notary Public in and for the State of _____

Moshe C Goldblatt,
Notary Public, State of New York
No. 01GO6346353
Qualified in Rockland County
Commission Expires Aug. 08, 2024

My commission expires _____

Property of Rockland County Clerk's Office

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ADDENDUM TO MORTGAGE

This **ADDENDUM TO MORTGAGE** is attached to and by this reference is made a part of the Mortgage, dated **March 28, 2023**, and executed in connection with a loan or other financial accommodations between **BELLCO CREDIT UNION** and **Alsip Mazel LLC**, a Delaware Limited Liability Company.

Capitalized terms used but not otherwise defined in this Addendum to Mortgage (this "Addendum") shall have the meanings ascribed in the Mortgage. To the extent that the terms of this Addendum conflict with the terms of the Mortgage or the Related Documents, the terms set forth in this Addendum shall prevail and be controlling.

Grantor and Lender agree to the following changes, additions, deletions and amendments below and the following provisions are hereby incorporated into the Mortgage:

1. The following provisions replace the **DUE ON SALE – CONSENT BY LENDER** heading in its entirety:

"DUE ON SALE – CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Borrower is a corporation, partnership, limited partnership or limited liability company a "sale or transfer" also includes any change in ownership of the voting stock, partnership interests, general partner or limited liability company interests, as the case may be, of such Borrower or any Person holding such interest. However, Lender's foregoing option to declare immediately due and payable all sums secured by this Mortgage shall not be exercised by Lender if such exercise is prohibited by federal law or by Illinois law.

Notwithstanding anything to the contrary in this Mortgage or the Related Documents, the following (each a "Permitted Transfer") shall not constitute a default under this Mortgage or the Related Documents with respect to a sale or transfer of the legal or beneficial interest in Borrower (i) any sale or transfer, in one or a series of transactions, of a direct or indirect legal or beneficial interest in Grantor of less than fifty percent (50%), (ii) any sale or transfer of legal or beneficial interests in Borrower among the existing members or shareholders of Borrower as of the date hereof, or to any Affiliates or any of the foregoing, (iii) any sale or transfer, directly as a result of the death or legal incapacity of a natural person, of stock, membership interests, partnership interests or other ownership interests previously held by the decedent or natural person in question to the Person or Persons lawfully entitled thereto, or (iv) a sale or transfer of direct or indirect interests in Borrower for estate planning purposes to the spouse, child, parent, grandparent, grandchild, niece, nephew, aunt, uncle or other family members of the transferor, or to a trust for the benefit of such transferor and/or for the benefit of the spouse, child, parent, grandparent, grandchild, niece, nephew, aunt, uncle or other family members of such transferor. Notwithstanding the foregoing to the contrary, following the transfer date of any Permitted Transfer and all times thereafter, Moshe Wechsler and Yaakov Hammer, individually or collectively, shall maintain (a) the direct or indirect majority ownership and Control (as defined below) of Borrower, and (b) the ability to direct the day to day management of Borrower.

If any Permitted Transfer would cause the transferee to increase its direct or indirect interest in Borrower to an amount which equals or exceeds fifteen percent (15%), Lender shall have approved in its reasonable discretion such proposed transferee, which approval shall be based upon Lender's satisfactory determination as to customary background checks or background checks required by applicable law or regulation performed by Lender (including, but not limited to, KYC and OFAC) and other information reasonably requested by Lender. Borrower shall give Lender notice of any Permitted Transfer together with copies of all instruments effecting such Permitted Transfer not less than ten (10) days prior to the date of such Permitted Transfer (other than a Permitted Transfer by devise or descent or by operation of law upon the death or as a result of the legal incapacity of a natural person of such Person's interest in Borrower to the Person or Persons lawfully entitled thereto; provided, Borrower delivers written notice to Lender as soon as practicable thereafter). All costs, expenses and fees with respect to the Permitted Transfer and the requirements set forth herein, including any attorney's fees incurred by the Lender, shall be paid in full by Borrower."

2. Notwithstanding the section of the Mortgage titled **Application of Proceeds** under the **PROPERTY DAMAGE INSURANCE** heading to the contrary, Lender shall allow the Net Proceeds (as defined below) payable with respect to any casualty to be applied to the restoration of the Property in accordance with the following terms and conditions:

- a) If the Net Proceeds are less than the Restoration Threshold (as defined below) and the costs of completing the restoration are less than the Restoration Threshold, Grantor may settle and adjust any claim under its insurance policies without Lender's prior approval, and the Net Proceeds will be disbursed by Lender to Grantor upon receipt, provided that all of the conditions set forth in Subsection (c) below are met and Grantor delivers to Lender a written undertaking to expeditiously commence and to satisfactory complete with due diligence the restoration of the Property as nearly as possible to the same value, condition and character which existed immediately prior to such loss or damage in accordance with the restoration plans and in compliance with all legal requirements and if applicable, the requirements of all Leases. Any restoration shall be effected in accordance with procedures to be first submitted to and approved by the Lender in accordance

UNOFFICIAL COPY**ADDENDUM TO MORTGAGE
(Continued)**

with Subsection (e) below. Grantor shall pay all costs of such restoration to the extent Insurance Proceeds are not made available or are insufficient.

b) If the Net Proceeds are equal to or greater than the Restoration Threshold or the costs of completing the restoration is equal or greater than the Restoration Threshold, Lender shall make the Net Proceeds available for the restoration in accordance with the provisions of this Section. The term "Net Proceeds" shall mean: (i) the net amount of all casualty insurance proceeds payable to Grantor or Lender as a result of such damage or destruction, after deduction of Lender's reasonable costs and expenses (including, but not limited to, reasonable counsel fees), if any, in collecting same ("Insurance Proceeds").

c) The Net Proceeds shall be made available to Grantor for restoration provided that each of the following conditions is met:

- i. no Event of Default shall be continuing;
- ii. less than thirty percent (30%) of the total floor area of the Improvements on the Property has been damaged, destroyed or rendered unusable as a result of such casualty;
- iii. Leases demising in the aggregate a percentage amount equal to or greater than seventy-five percent (75%) of the units at the Property which has been demised under executed and delivered Leases in effect as of the date of the occurrence of such casualty shall remain in full force and effect during and after the completion of the restoration, notwithstanding the occurrence of any such casualty;
- iv. Grantor shall commence the restoration as soon as reasonably practicable (but in no event later than the earlier of sixty (60) days after the receipt of all required governmental approvals required to commence the restoration, and one hundred twenty (120) days after the casualty) and shall diligently pursue the same to satisfactory completion in compliance with all applicable laws, including, without limitation, all applicable Environmental Laws;
- v. Lender shall be satisfied in Lender's reasonable discretion that the restoration will be completed on or before the earliest to occur of (1) six (6) months prior to the maturity date of the Indebtedness, or (2) six (6) months after receipt of the insurance proceeds by either Grantor or Lender;
- vi. all necessary governmental approvals can be obtained to allow the rebuilding and re-occupancy of the Property as described in (E) above;
- vii. the Property and the use thereof after the restoration will be in compliance with and permitted under all applicable laws;
- viii. Lender shall be satisfied that the loan-to-value ratio after the completion of the restoration shall be equal to or less than 70% and the operation of the Property remains in compliance with the DSCR (as defined in the Business Loan Agreement) required under the Business Loan Agreement (insurance proceeds actually received for rent loss or business interruption will be considered as income of purposes of determining compliance with the debt service coverage ratio);
- ix. such casualty does not result in any material loss or access to the Property or the related Improvements as existing prior to the casualty event;
- x. Grantor shall deliver, or cause to be delivered, to Lender a signed detailed budget approved in writing by Grantor's architect or engineer stating the entire cost of completing the restoration, which budget shall be reasonably acceptable to Lender;
- xi. the Net Proceeds together with any cash or cash equivalent deposited by Grantor with Lender are sufficient in Lender's sole discretion to cover the cost of the restoration and for payment of principal and interest to become due and payable under the Note during such restoration or repair;
- xii. rent loss or business interruption insurance proceeds are available to cover the full amount of any loss of income from the Property during its repair and restoration;
- xiii. Grantor shall provide evidence of the implementation of builder's risk coverage for the Property with coverage and in such amounts as Lender shall request;
- xiv. Grantor shall have satisfied such other conditions as Lender may reasonably determine to be appropriate to address the particular circumstances of the damage; and
- xv. the economic feasibility of the improvements after such restoration or repair will be such that income from the operation is reasonably anticipated to be sufficient to pay operating expenses of the Property and debt service on the indebtedness secured hereby in full with the same coverage ratio considered by Lender in its determination to make the loan secured hereby.

d) Unless sooner disbursed to Grantor pursuant to Subsection (a) above, the Net Proceeds shall be held by Lender in a noninterest-bearing account and, until disbursed in accordance with the provisions of this Section, shall constitute additional security for the Indebtedness and other obligations under the documents evidencing or securing the Indebtedness (the "Loan Documents"). The Net Proceeds shall be disbursed by Lender to, or as directed by, Grantor from time to time during the course of the restoration, upon receipt of evidence satisfactory to Lender that (A) all materials installed and work and labor performed (except to the extent that they are to be paid for out of the requested disbursement) in connection with the restoration have been paid for in full and Lender has been provided with Such architect's and engineer's certificates, waivers of lien, contractor's sworn statements, payment and performance bonds (if applicable), title insurance endorsements, plats of survey, and such other evidences of cost, payment and performance as the Lender may

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ADDENDUM TO MORTGAGE (Continued)

reasonably require and approve; (B) there exist no notices of pendency, stop orders, mechanic's or materialman's liens or notices of intentions to file same, or any other liens of encumbrances or any nature whatsoever on the Property which have not either been fully bonded to the reasonable satisfaction of Lender and discharged of record or in the alternative fully insured to the reasonable satisfaction of Lender by the title company issuing Lender's title insurance policy and (C) confirmation that the conditions set forth in Subsection (c) above are satisfied

e) All plans and specifications required in connection with the restoration shall be subject to prior review and acceptance in all respects by Lender in its reasonable discretion.

f) In no event shall Lender be obligated to make disbursements of the Net Proceeds in excess of an amount equal to the costs actually incurred from time to time for work in place as part of the restoration.

g) Lender shall not be obligated to make disbursements of the Net Proceeds more frequently than once every calendar month.

h) If at any time the Net Proceeds or the undisbursed balance thereof shall not, in the reasonable opinion of Lender, be sufficient to pay in full the balance of the costs which are estimated to be incurred in connection with the completion of the restoration, Grantor shall deposit the deficiency (the "Net Proceeds Deficiency") with Lender before any further disbursement of the Net Proceeds shall be made. The Net Proceeds Deficiency deposited with Lender shall be held by Lender and shall be disbursed for costs actually incurred in connection with the restoration on the same conditions applicable to the disbursement of the Net Proceeds, and until so disbursed pursuant to this Section shall constitute additional security for the Indebtedness and other obligations under the Loan Documents.

i) Lender shall not be obligated to supervise the restoration work nor shall the amount so released or used be deemed a payment of the Indebtedness. If Lender elects to permit the use of Insurance Proceeds to restore such Improvements it may do all necessary acts to accomplish that purpose, including advancing additional funds and all such additional funds shall constitute part of the Indebtedness. If Lender elects to make the Insurance Proceeds available to Grantor for the purpose of effecting the restoration, any excess of Insurance Proceeds above the amount necessary to complete the restoration shall be applied as and for a prepayment on the Note, without a prepayment fee or premium. No interest shall be payable to Grantor upon Insurance Proceeds held by Lender

j) In case of loss or damage covered by any of the insurance policies required under the Mortgage or Business Loan Agreement in excess of the Restoration Threshold, the Lender is hereby authorized to settle and adjust any claim under such policies (and after the entry of a decree of foreclosure, or a sale or transfer pursuant thereto or in lieu thereof, the decree creditor or such purchaser or transferee, as the case may be, are hereby authorized to settle and adjust any claim under such policies) upon consultation with the Grantor and the Lender shall, and is hereby authorized to, collect and receipt for any and all proceeds payable under such Policies in connection with any such loss. Grantor hereby irrevocably appoints Lender as its attorney-in-fact for the purposes set forth in the preceding sentence. Each insurance company is hereby authorized and directed to make payment (i) of 100% of all such losses (if such loss exceeds the Restoration Threshold) directly to Lender alone, and (ii) of 100% of all such losses (if such loss is less than or equal to the Restoration Threshold) directly to Grantor alone, and in no case to Grantor and Lender jointly. All reasonable costs and expenses incurred by the Lender in the adjustment and collection of any such Insurance Proceeds (including without limitation reasonable attorneys' fees and expenses) shall be additional Indebtedness, and shall be reimbursed to the Lender upon demand or may be paid and deducted by the Lender from such Insurance Proceeds prior to any other application thereof. Lender shall not be responsible for any failure to collect any Insurance Proceeds due under the terms of any policy regardless of the cause of such failure, other than the gross negligence or willful misconduct of Lender

As used herein "Restoration Threshold" means an amount equal to five percent (5%) of the outstanding principal amount of the Note.

3. Under the **DEFAULT** heading, the following sections are hereby amended and restated in their entirety as follows:

Payment Default. Grantor fails to make any payment when due under the Indebtedness and such failure continues for a period of ten (10) days after the applicable due date.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness with respect to this Loan, or any Guarantor dies or becomes incompetent, unless within sixty (60) days of such event Grantor provides a substitute Guarantor satisfactory to Lender in Lender's sole discretion, who shall execute a Guaranty Agreement in the same form as the agreement previously executed by the deceased or incompetent guarantor. The proposed substitute guarantor shall provide such personal financial information as Lender requests to evaluate the creditworthiness of such proposed substitute guarantor. The failure to provide an adequate substitute guarantor, if required, shall constitute an Event of Default. The foregoing substitution of the Guarantor may only be applied one time. The death of the substitute guarantor shall, at Lender's election, constitute an Event of Default notwithstanding the provisions hereof.

4. The following sections are hereby added to the end of the heading titled **MISCELLANEOUS PROVISIONS**:

Illinois Mortgage Foreclosure Law.

a) In the event that any provision of this Mortgage shall be inconsistent with any provision of the

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ADDENDUM TO MORTGAGE (Continued)

Foreclosure Law, the provisions of the Foreclosure Law shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Foreclosure Law. "Foreclosure Law" means the provisions of 735 ILCS 5/Article XV, also known as the Illinois Mortgage Foreclosure Law.

b) If any provision of this Mortgage shall grant to Lender any rights or remedies upon default of Grantor which are more limited than the rights that would otherwise be vested in Lender under the Foreclosure Law in the absence of said provision, Lender shall be vested with the rights granted in the Foreclosure Law to the full extent permitted by law.

c) Grantor acknowledges that the Land does not constitute agricultural real estate or residential real estate, as said terms are defined in the Foreclosure Law.

d) Without limiting the generality of the foregoing, all expenses incurred by Lender, to the extent reimbursable under the Foreclosure Law, whether incurred before or after any decree or judgment of foreclosure, and whether enumerated in this Mortgage, shall be added to the indebtedness secured by this Mortgage or by the judgment of foreclosure.

e) Grantor expressly waives any right of redemption AND REINSTATEMENT otherwise available pursuant to the Foreclosure Law, such waiver being made pursuant to Section 15-1601(b) AND 15-1602 of the Foreclosure Law and to the full extent permitted by law the benefits of all present and future valuation, stay, redemption and moratorium law, under any state or federal law.

f) Without limitation on the foregoing, all advances, disbursements and expenditures made by Lender before and during a foreclosure and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by this Mortgage or by the Foreclosure Law, shall have the benefit of all applicable provisions of the Foreclosure Law, including those provisions of the Foreclosure Law hereinbelow referred to (collectively, "Protective Advances"):

i. All advances by Lender in accordance with the terms of this Mortgage to: (1) preserve or maintain, repair, restore or rebuild any improvements upon the Land; (2) preserve the lien of this Mortgage or the priority thereof; or (3) enforce this Mortgage, as referred to in Subsection (b)(5) of Section 15-1302 of the Foreclosure Law;

ii. Payments by Lender of: (1) installments, when due, of principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrance; (2) installments, when due, 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 Land or any part thereof; (3) other obligations authorized by this Mortgage; or (4) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 15-1505 of the Foreclosure Law;

iii. Advances by Lender in settlement or compromise of any claims asserted by claimants under senior mortgages or any other prior liens;

iv. Attorneys' fees and other expenses incurred: (1) in connection with the foreclosure of this Mortgage as referred to in Sections 15-1504(d)(2) and 15-1510 of the Foreclosure Law; (2) in connection with any action, suit or proceeding brought by or against Lender for the enforcement of this Mortgage or arising from the interest of Lender hereunder; or (3) in the preparation for the commencement or defense of any such foreclosure or other action;

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

vi. Expenses deductible from proceeds of sale as referred to in Subsections (a) and (b) of Section 15-1512 of the Foreclosure Law; and

vii. Expenses incurred and expenditures made by Lender for any one or more of the following: (1) if all or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof; (2) if any interest in the Land is a fee simple estate under a lease or sublease, rentals or other payments required to be made by the lessee under the terms of the lease or sublease; (3) premiums for casualty and liability insurance paid by Lender whether or not Lender or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or mortgagee takes possession of the Premises imposed by subsection (c)(1) of Section 15-1704 of the Foreclosure Law; (4) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (5) payments required or deemed by Lender to be for the benefit of the Premises or required to be made by the owner of the Premises under any grant or declaration of easements, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Premises; (6) shared or common expense assessment payable to any association or corporation in which the owner of the Land is a member if any way affecting the Land; (7) costs incurred by Lender for demolition, preparation for and completion of construction; and (8) pursuant to any lease or other agreement for occupancy of the Premises.

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ADDENDUM TO MORTGAGE (Continued)

g) This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded as provided in and pursuant to Subsection (b)(1) of Section 15-1302 of the Foreclosure Law. 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 Foreclosure Law, apply to and be included in: (A) determination of the amounts of indebtedness secured by this Mortgage at any time; (B) the indebtedness found due and owing to Lender 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; (C) if the right of redemption is deemed not to be waived by this Mortgage, computation of amount required to redeem, pursuant to Subsections (d)(2) and (e) of Section 15-1603 of the Foreclosure Law; (D) determination of amounts deductible from sale proceeds pursuant to Section 15-1512 of the Foreclosure Law; (E) application of income in the hands of any receiver or Lender in possession; and (F) computation of any deficiency judgment pursuant to Subsections (b)(2) and (e) of Section 15-1508 and Section 15-1511 of the Foreclosure Law.

Business Loan. Grantor certifies and agrees that (A) the proceeds of the Note secured by this Mortgage will be held for purposes specified in subsection (1)(c) of Section 4 of the Illinois Interest Act (815 ILCS 205/1 et seq.) and that the principal obligation secured thereby constitutes a "Business Loan" within the definition and purview of that section; (B) the Debt secured hereby constitutes a loan secured by real estate within the purview of and as contemplated by Section 4(1)(c) of the Illinois Interest Act, and (C) the secured Debt is an exempted transaction under the Truth-In-Lending Act, 15 U.S.C. Sec. 1601 et. seq. and has been entered into solely for business purposes of Grantor and Grantor's investment or profit, as contemplated by said section.

Maximum Principal Amount/Future Advances. This Mortgage shall secure the payment of any amounts advanced from time to time under the Loan Documents, or under other documents stating that such advances are secured hereby. This Mortgage also secures any and all future obligations and Indebtedness arising under or in connection with this Mortgage, which future obligations and Indebtedness shall have the same priority as if all such future obligations and Indebtedness were made on the date of execution hereof. Nothing in this Section or in any other provision of this Mortgage shall be deemed an obligation on the part of Lender to make any future advances of any sort. At all times, regardless of whether any Loan proceeds have been disbursed, this Mortgage shall secure (in addition to any Loan proceeds disbursed from time to time) the payment of any and all expenses and advances due to or incurred by Lender in connection with the Indebtedness to be secured hereby and which are to be reimbursed by Grantor under the terms of this Mortgage.

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

Collateral Protection Act. Pursuant to the requirements of the Illinois Collateral Protection Act (815 ILCS 180), Grantor is hereby notified that unless Grantor provides Lender with evidence of the insurance coverage required by this Mortgage, the Loan Agreement or any of the other Loan Documents, Lender may purchase insurance at Grantor's expense to protect Lender's interest in the Premises or any other collateral for the Indebtedness. This insurance may, but need not protect Grantor's interests. The coverage Lender purchases may not pay any claim that Grantor makes or any claim that is made against Grantor in connection with the Premises or any other collateral for the Indebtedness. Grantor may later cancel any insurance purchased by Lender but only after providing Lender with evidence that Grantor has obtained insurance as required by this Mortgage, the Loan Agreement or any of the other Loan Documents. If Lender purchases insurance for the Premises or any other collateral for the Indebtedness, Grantor will be responsible for the costs of that insurance, including interest in any other charges that Lender may lawfully 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 more than the cost of insurance that Grantor may be able to obtain on its own and may be added to the Indebtedness and future obligations secured hereunder.

Right to Collect Rents and Profits. Notwithstanding anything to the contrary contained in 765 1-1.17S 5131.5, Grantor agrees that the mere recordation of the Mortgage entitles Lender immediately to collect and receive Rents and Profits upon the occurrence of an Event of Default, without first taking any acts of enforcement under Applicable Law, including providing notice to Grantor, filing foreclosure proceedings, or seeking the appointment of a receiver. Further, Lender's right to the Rents and Profits does not depend on whether or not Lender takes possession of the Property as permitted under this Mortgage. Provided an Event of Default has occurred and is continuing, Lender may choose, in Lender's sole discretion, to collect Rents and Profits either with or without taking possession of the Property. It is the express intention of the Grantor and Lender to "otherwise agree" as permitted in 765 ILCS 5/31.5 that after an Event of Default has occurred and during the continuance thereof, Lender is entitled to immediately collect rents (and Grantor hereby agrees it will immediately pay all such rents to Lender) without Lender having to take any steps to enforce the assignment. Notwithstanding anything to the contrary hereinabove, all sums collected and received by Lender out of the rents, issues, income and profits of the Property following the occurrence and during the continuance of any Event of Default shall be applied in accordance with the Foreclosure Law and, unless otherwise specified in such Foreclosure Law, in such order as Lender shall elect in its sole and absolute discretion.

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ADDENDUM TO MORTGAGE (Continued)

Future Advances. This Mortgage is given for the purpose of securing loan advances which Lender may make to or for Grantor pursuant and subject to the terms and provisions of the Loan Documents. The parties hereto intend that, in addition to any other debt or obligation secured hereby, the Mortgage shall secure any unpaid balances of loan advances made pursuant to the terms and provisions of this Mortgage or any other Related Documents after this Mortgage is delivered to the Office of the Recorder of the County in which the Real Property is located, whether made pursuant to an obligation of Grantor or otherwise, provided that such advances are within twenty (20) years from the date hereof and in such event, such advances shall be secured to the same extent as if such future advances were made on the date hereof, although there may be no advance made at the time of execution hereof although there may be no indebtedness outstanding at the time any advance is made.

All other provisions not specifically modified above shall remain in full force and effect as written.

THIS ADDENDUM TO MORTGAGE IS EXECUTED ON MARCH 28, 2023.

GRANTOR:

ALSIP MAZEL LLC, A DELAWARE LIMITED LIABILITY COMPANY

By:

Yaakov Hammer, Authorized Signatory of Alsip Mazel LLC, a Delaware Limited Liability Company

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