

Illinois Anti-Predatory Lending Database Program

Doc#: 2313108004 Fee: \$98.00
Karen A. Yarbrough
Cook County Clerk
Date: 05/11/2023 09:10 AM Pg: 1 of 38

Certificate of Exemption



Report Mortgage Fraud
844-768-1713

The property identified as: **PIN: 13-26-225-023-0000**

Address:

Street: 3537 West Wolfram Street

Street line 2:

City: Chicago

State: IL

ZIP Code: 60618

Lender: SHARESTATES INVESTMENTS, LLC

Borrower: Exponent Holdings LLC

FIRST AMERICAN TITLE
FILE # 3157602

Loan / Mortgage Amount: \$486,000.00

This property is located within the program area and is exempt from the requirements of 765 ILCS 77/70 et seq. because it is not owner-occupied.

Certificate number: 2D2DCB09-D6FC-43D9-9EA1-C6B0FA63A773

Execution date: 5/3/2023

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Return to & Prepared by:
SHARESTATES INVESTMENTS, LLC
ISAOA/ATIMA
45 North Station Plaza, Suite 400
Great Neck, New York 11021

THIS SPACE RESERVED FOR RECORDERS USE ONLY

MORTGAGE, AND SECURITY AGREEMENT

between

Exponent Holdings LLC
a Illinois limited liability company
1329 W Walton Street
Chicago, IL 60642
to

SHARESTATES INVESTMENTS, LLC, ISAOA/ATIMA
a Delaware Limited Liability Company
45 North Station Plaza, Suite 400
Great Neck, New York 11021

Dated: as of May 3, 2023

ADDRESS OF MORTGAGED PROPERTY:

3537 West Wolfram Street
Chicago, Illinois 60618
County: Cook
State: Illinois
PIN: 13-26-225-023-0000

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RECITAL

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT (this "Mortgage") made as of the May 3, 2023.

BETWEEN

Exponent Holdings LLC, a Illinois limited liability company, having an office and an address for purposes of notices and legal process at 1329 W Walton Street, Chicago, Illinois 60642 (the "Mortgagor"),

as Mortgagor,

and

SHARESTATES INVESTMENTS, LLC, ISAOA/ATIMA, a Delaware limited liability company, having an address at 45 North Station Plaza, Suite 400, Great Neck, NY 11021 (the "Mortgagee"),

as Mortgagee,

WITNESSETH:

Mortgagor is the owner of the premises described in Schedule A hereto and the improvements thereon. On even date, Mortgagor has delivered a note in favor of Mortgagee in the amount of FOUR HUNDRED EIGHTY-SIX THOUSAND and 00/100 Dollars (\$486,000.00) (the "Mortgage Amount") borrowed from Mortgagee by Mortgagor, obligating Mortgagor to pay the Mortgage Amount (and any other amounts advanced by Mortgagee pursuant to the terms hereof) under certain circumstances.

CERTAIN DEFINITIONS

Unless the context otherwise specifies or requires, the following terms shall have the meanings herein specified, such definitions to be applicable equally to the singular and the plural forms of such terms.

"Bank Accounts" means collectively all bank accounts maintained by Mortgagor in connection with the Premises and all the monies contained therein, including but not limited to Mortgagor's operating account, all tenant security account(s) for the Premises, any interest reserve accounts and the tax payment and any reserve accounts.

"Chattels" means all fixtures, fittings, appliances, apparatus, equipment, machinery and articles of personal property and replacements thereof, other than those owned by lessees, now or at any time hereafter affixed to, attached to, placed upon, or used in any way in connection with the complete and comfortable use, enjoyment, occupancy or operation of the Improvements (as hereinafter defined).

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"Contracts" means collectively all contracts, agreements and understandings now or hereafter entered into, relating to or involving the performance of any work, rendering of any services, and supply of any materials or the conduct of operations in and the management of the Premises including, without limitation, construction contracts, brokerage agreements, architect agreements, management agreements, options and other agreements, however characterized, affecting the Premises and/or the Improvements or the public improvements required to be installed under the terms of governmental approvals relating to the Premises.

"Events of Default" means the events and circumstances described in Section 2.01 hereof.

"Guarantor" is *James B Lim and Yen Chih Tsai*, who has executed the Guaranty on the date hereof.

"Improvements" means all structures or buildings and replacements thereof, to be erected or now or hereafter located upon the Premises by Mortgagor, including all plant equipment, apparatus, machinery and fixtures of every kind and nature whatsoever forming part of said structures or buildings.

"Intangibles" means all "general intangibles" (as such quoted term is defined in the Uniform Commercial Code of the state wherein the Premises are located) in any way relating to the Premises and/or the Improvements and which the Mortgagor owns including (without limitation), all licenses, trade names, good will and books and records relating to the business operated or to be operated on the Premises or any part thereof, and all unearned premiums, accrued, accruing or to accrue under all insurance policies now or hereafter obtained by the Mortgagor insuring the Premises, as hereinafter defined, all proceeds, products, replacements, additions, renewals and accessions of the foregoing and all rights and interest of the Mortgagor thereunder.

"Note" means the instrument delivered by Mortgagor on the date hereof, in the Mortgage Amount. The note, together with any modifications or amendments thereto, if any, are hereinafter collectively referred to as the "Note".

"Permits" shall mean any and all permits, certificates, approvals and authorizations, however characterized, issued or in any way furnished whether necessary or not, for the operation and use of the Premises and/or the Improvements and/or any other portion of the Premises including, without limitation, certificates of occupancy, building permits, environmental certificates, certificates of operation, warranties and guarantees.

"Plans" means collectively all plans, drawings, specifications, site plans, subdivision maps, sketches, contracts and agreements, however characterized from time to time prepared for use in connection with the development, redevelopment or renovation of the Premises and Improvements.

"Premises" means the premises described in Schedule A hereto including all of the easements, rights, privileges and appurtenances (including air rights) thereunto belonging or in any way appertaining, and all of the estate, right, title, interest, claim or demand whatsoever of

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Mortgagor therein and in the streets and ways adjacent thereto, either in law or in equity, in possession or expectancy, now or hereafter acquired.

"Default Rate" shall have the same meaning as described in the Note.

All terms of this Mortgage which are not defined above shall have the meaning set forth elsewhere in this Mortgage or in the Note.

GRANTING CLAUSE

NOW, THEREFORE, Mortgagor, in consideration of the premises and in order to secure its obligations for payment of both the principal of, and the interest and any other sums payable on, the Note or this Mortgage and the performance and observance of all the provisions hereof and of the Note under certain circumstances, hereby gives, grants, bargains, sells, warrants, alienates, demises, releases, conveys, assigns, transfers, mortgages, hypothecates, deposits, pledges, sets over and confirms unto Mortgagee, all of its estate, right, title and interest in, to and under any and all of the following described property (the "Premises") whether now owned or held or hereafter acquired:

- (i) the Premises;
- (ii) the Improvements;
- (iii) the Intangibles;
- (iv) the Contracts;
- (v) the Permits;
- (vi) the Plans;
- (vii) the Chattels;
- (viii) all proceeds of the conversion, voluntary or involuntary of any of the foregoing into cash or liquidated claims, including, without limitation, proceeds of hazard, flood and title insurance and condemnation awards and any unearned premiums accrued, accruing or to accrue under any and all insurance policies now or hereafter obtained by Mortgagor, and all rights of Mortgagor to refunds of real estate taxes and assessments; and
- (ix) all leases and lettings of the Premises, all subleases, lettings, licenses, and occupancy/possession agreements covering the Premises or any part thereof now or hereafter entered into and all right, title and interest of Mortgagor thereunder, including, without limitation, cash or securities deposited thereunder to secure performance by the lessees of their obligations thereunder, whether such cash or securities are to be held until the expiration of the terms of such leases or subleases or applied to one or more of the installments of rent coming due immediately

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prior to the expiration of such terms, including, the right upon the happening of an Event of Default, to receive and collect the rents thereunder, all in accordance with this Mortgage.

TO HAVE AND TO HOLD unto Mortgagee, its successors and assigns forever.

ARTICLE I

PARTICULAR COVENANTS, WARRANTIES AND REPRESENTATIONS OF MORTGAGOR

Mortgagor covenants, warrants, represents and agrees as follows:

SECTION 1.01. Mortgagor warrants that all information provided to Mortgagee is true, accurate and complete, in all material respects, and to the best of its knowledge does not omit any material facts; and no insolvency or bankruptcy proceedings are pending against Mortgagor.

SECTION 1.02. Mortgagor warrants that it is the actual record and beneficial owner and holder of marketable title to an indefeasible fee estate in the Premises described in Schedule "A" hereto, subject to no lien, charge or encumbrance except such as are listed as exceptions to title in the title policy insuring the lien of this Mortgage; that it will own the Chattels free and clear of any liens and claims; and that this Mortgage is and will remain a valid and enforceable first lien on the Premises subject only to the exceptions referred to above. Mortgagor has full power and lawful authority to mortgage the Premises in the manner and form herein done or intended hereafter to be done. Mortgagor will preserve such title, and will forever warrant and defend the same to Mortgagee and will forever warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whomsoever, subject to the foregoing.

SECTION 1.03. (a) The delivery of this Mortgage has been duly authorized by all necessary action on the part of Mortgagor. Mortgagor will, at its sole cost and expense, and without expense to Mortgagee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as Mortgagee shall from time to time reasonably require, for the better assuring, conveying, assigning, transferring and confirming unto Mortgagee the property and rights hereby conveyed, mortgaged or assigned or intended now or hereafter so to be, or which Mortgagor may be or may hereafter become bound to convey, mortgage or assign to Mortgagee, or for carrying out the intention or facilitating the performance of the terms of this Mortgage, or for filing, registering or recording this Mortgage and, within ten (10) days after demand therefor, will execute and deliver, and hereby authorizes Mortgagee to execute and file in Mortgagor's name, to the extent it may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments, and renewals thereof, to evidence more effectively the lien hereof upon the Chattels.

(b) Mortgagor agrees to execute, re-execute, cause Guarantor or other third party(ies) involved in the loan transaction secured hereby to execute and/or re-execute and to deliver to Mortgagee or its legal counsel, as may be deemed appropriate by Mortgagee, any document or

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instrument signed in connection with the Indebtedness secured by this Mortgage which was incorrectly drafted and/or signed, as well as any document or instrument which should have been signed at or prior to the execution and delivery of this Mortgage, but which was not so signed and delivered, provided however, such obligation of Mortgagor shall not extend to the execution of any new or redrafted document which materially and adversely adds to or changes the obligations of Mortgagor beyond those set forth in or contemplated by the mortgage loan commitment letter of Mortgagee to Mortgagor. Mortgagor agrees to comply with any written request by Mortgagee within ten (10) days after receipt by Mortgagor of such request. Failure by Mortgagor to so comply shall, at the option of Mortgagee, upon written notice to Mortgagor, constitute an Event of Default hereunder.

SECTION 1.04. (a) Mortgagor forthwith upon the execution and delivery of this Mortgage, and thereafter from time to time, will cause this Mortgage, and any security instrument creating a lien or evidencing the lien hereof upon all or any portion of the Premises, the Chattels and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully protect the lien hereof upon, and the interest of Mortgagee in, the Premises.

(b) Mortgagor will pay all filing, registration or recording fees, and all expenses incident to the execution and acknowledgment of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Chattels, and any instrument of further assurance, and all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Note, this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Chattels or any instrument of further assurance.

SECTION 1.05. Mortgagor shall punctually pay the principal and interest and all other sums to become due in respect of the Note at the time and place and in the manner specified in the Note, according to the true intent and meaning thereof, and without offset, counterclaim or defense thereto, all in any coin or currency of the United States of America which at the time of such payment shall be legal tender for the payment of public and private debts. Mortgagor hereby agrees to reimburse Mortgagee for any payments required by Section 1.20 of this Mortgage. If any payment to be so made under this Mortgage, or under the Note, becomes due and payable on a day other than a business day, such payment shall be extended to the next succeeding business day and, to the extent permitted by applicable law, interest thereon shall be payable at the then applicable rate during such extension.

SECTION 1.06. Neither the acceptance hereof, the consummation of the transaction contemplated hereby nor compliance with the terms and provisions hereof of any loan documents will conflict with or result in the breach of any of the terms, conditions or provisions of any law, regulation, order, writ, injunction or decree of any court or governmental authority having jurisdiction over the Premises or any agreement or instrument to which Mortgagor is a party or by which any of them are bound, nor shall any of the foregoing result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Mortgagor's property pursuant to the terms of any such agreement or instrument. Mortgagor, will, so long as it is owner

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of all or part of the Premises, do all things necessary to preserve and keep in full force and effect its existence, franchises, rights and privileges as a business or stock corporation, limited liability company, partnership, trust or other entity, as the case may be, under the laws of the state of its formation and will comply with all regulations, rules, statutes, orders and decrees of any governmental authority or court applicable to it or to the Premises or any part thereof.

SECTION 1.07. (a) Mortgagor, from time to time when the same shall become due and payable, will pay and discharge all taxes of every kind and nature (including real and personal property taxes and income, franchise, withholding, profits and gross receipts taxes), all general and special assessments, levies, permits, inspection and license fees, all water and sewer rents and charges, and all other public charges whether of a like or different nature, imposed upon or assessed against it or the Premises or any part thereof or upon the revenues, rents, issues, income and profits of the Premises or arising in respect of the occupancy, use or possession thereof. Mortgagor will, within thirty (30) days after the due date of any installment of any imposition, deliver to Mortgagee, receipts evidencing the payment of all such taxes, assessments, levies, fees, rents and other public charges imposed upon or assessed against it or the Premises or the revenues, rents, issues, income or profits thereof.

(b) Mortgagor will pay, from time to time when the same shall become due, all lawful claims and demands of mechanics, materialmen, laborers, and others which, if unpaid, might result in, or permit the creation of, a lien on the Premises or any part thereof, or on the revenues, rents, issues, income and profits arising therefrom and in general will do or cause to be done everything necessary so that the lien hereof shall be fully preserved, at the cost of Mortgagor and without expense to Mortgagee.

(c) Nothing in this Section 1.07 shall require the payment or discharge of any obligation imposed upon Mortgagor by this Section so long as Mortgagor shall in good faith and at its own expense contest the same or the validity thereof by appropriate legal proceedings which shall operate to prevent the collection thereof or other realization thereof to satisfy the same, provided that during such contest Mortgagor shall, at the option of Mortgagee, provide security satisfactory to Mortgagee, assuring the discharge of Mortgagor's obligation hereunder and of any additional charge, penalty or expense arising from or incurred as a result of such contest; and provided further, that if at any time payment of any obligation imposed upon Mortgagor by clause (a) above shall become necessary to prevent the delivery of a tax deed or other similar instrument conveying the Premises or any portion thereof because of non-payment, then Mortgagor shall pay the same in sufficient time to prevent the delivery of such tax deed or other similar instrument.

SECTION 1.08. Mortgagor will pay any taxes, except income taxes, franchise taxes, or taxes of like nature, imposed on Mortgagee by reason of its ownership of the Note or this Mortgage.

SECTION 1.09. (a) Mortgagor will keep or will cause the Improvements and Chattels to be insured against loss by fire, casualty and such other hazards as may be reasonably specified by Mortgagee for the benefit of Mortgagee. Such insurance shall be written in forms, amounts, and by companies reasonably satisfactory to Mortgagee, and losses thereunder shall be payable to Mortgagee pursuant to a standard first mortgage endorsement substantially equivalent to the New

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York standard mortgage endorsement. The policy or policies or certificates of such insurance shall be delivered to Mortgagee. Mortgagor shall give Mortgagee prompt notice of any loss covered by such insurance and Mortgagee shall have the right to join Mortgagor in adjusting any loss in excess of \$25,000.00. Any moneys received as payment for any loss under any such insurance shall be paid over to Mortgagee to be applied, at Mortgagee's option, either to the prepayment of the Note without premium, or to the reimbursement of Mortgagor from time to time for expenses incurred by it in the restoration of the Improvements in the same manner as advances of loan proceeds are made by Mortgagee.

Provided (i) Mortgagor is not in default under this Mortgage or the Note beyond any applicable grace period, and (ii) Mortgagor, promptly after the insurance claims are settled, proceeds with the restoration, replacement, rebuilding or repair (hereinafter collectively referred to as "Restoration") of the Improvements and Chattels as nearly as possible to the condition they were in immediately prior to such fire or other casualty, then all insurance proceeds received by Mortgagee, on account of such damage or destruction, less the actual cost, fees and expenses, if any, incurred in connection with the adjustment of the loss, shall be paid by Mortgagee, upon the written request of Mortgagor, as work progresses, each of such advances to be accompanied by a title company or official search, or other evidence reasonably satisfactory to Mortgagee, showing that there have not been filed with respect to the Premises any vendor's, contractor's, mechanic's, laborer's or materialman's statutory or similar liens which have not been bonded or otherwise discharged of record, except such as will be discharged upon payment of the sum requested.

If the available insurance proceeds less the actual cost, fees and expenses, if any, incurred in connection with the adjustment of the loss, shall be insufficient to pay the entire cost of such Restoration, Mortgagor will promptly pay the deficiency. It is intended that no trust shall be created by the receipt by Mortgagee of any proceeds of insurance but only a debtor-creditor relationship between Mortgagee and Mortgagor for an amount equal to such proceeds, nor shall there be any obligation on Mortgagee to pay any interest thereon.

(b) Mortgagor shall not take out and/or maintain separate insurance concurrent in form or contributing in the event of loss with that required to be maintained under this Section 1.09 unless Mortgagee is included thereon as a named insured with loss payable to Mortgagee under a standard mortgage endorsement of the character above described. Mortgagor shall immediately notify Mortgagee whenever any such separate insurance is taken out and shall promptly deliver to Mortgagee the policy or policies or certificates of such insurance.

(c) If the Premises are located in an area which has been identified by the Secretary of the United States Department of Housing and Urban Development as a flood hazard area, Mortgagor will keep the Improvements insured against loss by floods and mud slides, until all sums secured hereby have been repaid in full, by flood insurance in an amount at least equal to the full amount of the Note or the maximum limit of coverage available for the Premises under the National Flood Insurance Act of 1968, as amended by the Flood Disaster Protection Act of 1973, whichever is less.

(d) No later than thirty (30) days prior to the expiration date of each policy furnished by Mortgagor pursuant to this Section 1.09, Mortgagor shall deliver to Mortgagee, a renewal policy

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or policies marked "premium paid" or accompanied by other evidence of payment satisfactory to Mortgagee.

SECTION 1.10. (a) If Mortgagor shall fail to perform any of the covenants contained herein, after notice of such default has been given to Mortgagor, Mortgagee may make advances to perform the same on its behalf, and all sums so advanced shall be a lien upon the Premises and shall be secured hereby. Mortgagor will repay on demand all sums so advanced on its behalf together with interest thereon at the Default Rate. The provisions of this Section shall not prevent any default in the observance of any covenant contained herein from constituting an Event of Default.

(b) The effective date of the receipt by Mortgagee of any payment due under this Mortgage shall be the day on which Mortgagee receives cash or collected funds at the address specified in this Mortgage, or such other address as may be specified by Mortgagee. In the event a payment is not received within ten (10) days from the date it is due hereunder, a "late charge" of up to \$0.06 for each \$1.00 so overdue may be charged by Mortgagee for the purpose of defraying the expense incident to handling such overdue payment. However, this provision shall not constitute consent or an agreement to extend the time for payment beyond the due date. Such charge shall be deemed to be part of the Indebtedness and therefore secured by the lien of this Mortgage.

SECTION 1.11. (a) Mortgagor will keep adequate records and books of account in accordance with the then adopted method of accounting reporting of Mortgagor, provided such method accurately reflects its respective financial position and results of operation, and if not, then in accordance with generally accepted accounting principles. Mortgagor will permit Mortgagee, by its agents, accountants and/or attorneys, to visit and inspect the Premises and examine its records and books of account and to discuss its affairs, finances and accounts with Mortgagor, at such reasonable times as may be requested by Mortgagee.

(b) Mortgagor shall furnish or cause to be furnished to Mortgagee within fifteen (15) days of filing each year, executed copies of the federal income tax returns of Mortgagor, inclusive of K-1s and all other schedules. Mortgagor shall also promptly furnish such other data as may be reasonably requested by Mortgagee related to Mortgagor, Guarantor and the Premises and will at all times and from time to time during business hours upon reasonable advance notice permit Mortgagee by or through any of its officers, agents, employees, attorneys or accountants to inspect and make extracts from such Mortgagor's books and records. Mortgagor further agrees that each failure of Mortgagor to deliver (or cause to be delivered) the information requested above on the dates specified may result, at the option of Mortgagee after ten (10) days written notice to Mortgagor, in a two (2%) percent increase in the applicable interest rate set forth in the Note, from the date of such default until the date such information is delivered to Mortgagee, to compensate Mortgagee for the administrative costs and additional risks associated with the failure to timely deliver such information. The imposition of the interest rate increase shall not be deemed a waiver by Mortgagee of the timely receipt of the required financial information requested above.

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(c) Mortgagor, within three (3) days upon request in person or within five (5) days upon request by mail, shall furnish Mortgagee with a written statement, duly acknowledged, of the amount due whether for principal or interest on the Note and whether any offsets, counterclaims or defenses exist against the indebtedness secured hereby. The nature of each such offset, defense or counterclaim shall be set forth in full detail.

SECTION 1.12. Mortgagor will not threaten, commit or permit or suffer any waste on the Premises or make any change in the use of the Premises which will in any way increase any ordinary fire or other hazard arising out of construction or operation. Mortgagor will, at all times, maintain the Improvements and Chattels in good operating order and condition and will promptly make, from time to time, all repairs, renewals, replacements, additions and improvements in connection therewith which are needful or desirable to such end. The Improvements shall not be demolished or substantially altered, nor shall any Chattels be removed except where appropriate replacements free of superior title, liens and claims are immediately made of value at least equal to the value of the removed Chattels.

SECTION 1.13. To the best of Mortgagor's knowledge, there are no actions, suits or proceedings pending or threatened against Mortgagor or the Premises, the result of which might have a materially adverse effect upon the Premises, and/or Mortgagor's ability to perform under the Loan Documents. Mortgagor, upon obtaining knowledge of the institution or pending institution of any proceedings for the condemnation of the Premises or any portion thereof, will promptly notify Mortgagee thereof. Mortgagee may participate in any such proceedings and may be represented therein by counsel of its selection. Mortgagor from time to time will deliver to Mortgagee all instruments requested by it to permit or facilitate such participation. In the event of such condemnation proceedings, the award or compensation payable is hereby assigned to and shall be paid to Mortgagee. Mortgagee shall be under no obligation to question the amount of any such award or compensation and may accept the same in the amount in which the same shall be paid. The proceeds of any award or compensation so received shall, at the option of Mortgagee, either be applied without premium to the prepayment of the Note at the rate of interest provided therein regardless of the rate of interest payable on the award by the condemning authority, or be paid over to Mortgagor from time to time for restoration of the Improvements.

SECTION 1.14. (a) Mortgagor will not (i) execute an assignment of the rents or any part thereof from the Premises without Mortgagee's prior written consent, (ii) except where the lessee is in default thereunder, terminate or consent to the cancellation or surrender of any lease of the Premises or of any part thereof, now existing or hereafter to be made, having an unexpired term of one (1) year or more, provided, however, that any lease may be cancelled if contemporaneously the cancellation or surrender thereof, a new lease is entered into with a new lessee having a credit standing, in the sole judgment of Mortgagee, at least equivalent to that of the lessee whose lease was cancelled, on substantially the same terms as the terminated or cancelled lease, (iii) modify any such lease so as to shorten the unexpired term thereof or so as to decrease the amount of the rents payable thereunder, (iv) accept prepayments of any installments of rents to become due under such leases, except prepayments in the nature of security for the performance of the lessees thereunder, (v) enter into any leases, lettings or license arrangements affecting the Premises or any part thereof without the written consent and approval of Mortgagee

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(except as permitted under subparagraph (ii) above), or (vi) in any other manner impair the value of the Premises or the security of this Mortgage.

(b) Subject in all cases to the provisions of subparagraph (a) above, Mortgagor will not execute any lease of all or a substantial portion of the Premises except for actual occupancy by the lessee thereunder, and will at all times promptly and faithfully perform, or cause to be performed, all of the covenants, conditions and agreements contained in all leases of the Premises now or hereafter existing, on the part of the lessor thereunder to be kept and performed and will at all times do all things necessary to compel performance by the lessee under each lease of all obligations, covenants and agreements by such lessee to be performed thereunder. If any of such leases provide for the giving by the lessee of certificates with respect to the status of such leases, Mortgagor shall exercise its right to request such certificates within five (5) days after any demand therefor by Mortgagee.

(c) From the date hereof, each lease, sublease, or renewal of same, of the Premises, or of any part thereof, shall provide that, in the event of the enforcement by Mortgagee of the remedies provided for by law or by this Mortgage, or in the event of termination of any leasehold estate, the lessee thereunder will, upon request of any person succeeding to the interest of Mortgagor as a result of such enforcement and termination, automatically become the lessee of said successor in interest, without change in the terms or other provisions of such lease, provided, however, that said successor in interest shall not be bound by (i) any payment of rent or additional rent for more than one (1) month in advance except prepayments in the nature of security for the performance by said lessee of its obligations under said lease but only to the extent such security deposits have been actually delivered to such successor, (ii) any amendment or modification of the lease made without the consent of Mortgagee or such successor in interest, and (iii) any credits or offsets to which such lessee shall claim entitlement under the lease. Each lease shall also provide that, within ten (10) days after request by said successor in interest, such lessee shall execute and deliver an instrument or instruments confirming such assignment.

(d) Mortgagor shall furnish to Mortgagee, within fifteen (15) days after a request by Mortgagee, a written statement containing the names of all lessees of the Premises, the terms of their respective leases, and the space occupied and the rentals payable thereunder.

SECTION 1.15. Mortgagor will receive the advances secured hereby and will hold the right to receive such advances as a trust fund to be applied first for the purpose of paying the cost of the Improvements and will apply the same first to the payment of the cost of such Improvements before using any part of the total of the same for any other purpose.

Mortgagor will indemnify and hold Mortgagee harmless against any loss, liability, cost or expense, including, without limitation, any judgments, attorney's fees, reasonable costs of appeal bonds and printing costs, arising out of or relating to any proceeding instituted by any claimant alleging a violation by Mortgagor of any applicable lien law.

SECTION 1.16. Mortgagor has not dealt with any brokers in connection with this commitment or the loan and based thereon Mortgagor hereby indemnifies and holds Mortgagee harmless from and against any and all claims, including legal fees incurred in defense thereof,

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which may be made by any person or entity in connection with this commitment or the loan, whether or not the loan closes.

SECTION 1.17. Mortgagor will not, directly or indirectly, by transfer, mortgage, conveyance or sale of stock, permit, do or suffer the assignment, transfer, sale, conveyance or encumbrance of the Premises or any part thereof or any interest therein without the prior written consent of Mortgagee.

SECTION 1.18. Mortgagor agrees that if any action or proceeding be commenced, excepting an action to foreclose this Mortgage or to collect the indebtedness hereby secured, to which action or proceeding Mortgagee is made a party by reason of the execution of this Mortgage or the Note which it secures, or in which it becomes necessary to defend or uphold the lien of this Mortgage, all sums paid by Mortgagee for the expense of any litigation to prosecute or defend the transactions and the rights and lien created hereby (including reasonable attorneys' fees and disbursements) shall be paid by Mortgagor together with interest thereon from the date of payment by Mortgagee at the Default Rate. All such sums paid and the interest thereon shall be immediately due and payable, shall be a lien upon the Premises, and shall be secured hereby.

SECTION 1.19. The Premises will be provided with adequate sewerage facilities and gas, if applicable, electricity, water and other necessary utilities at all times, in compliance with all applicable laws and regulations.

SECTION 1.20. Mortgagor agrees that in the event of the passage after the date of this Mortgage of any law deducting any lien from the value of land for the purpose of taxation, or changing in any way the laws now enforced for the taxation of mortgages or debts secured by mortgages, or the manner of the collection of any such taxes, so as to affect and lessen the net income on the indebtedness secured by this Mortgage, the whole of the principal sum secured by this Mortgage, together with interest due thereon, shall, at the option of Mortgagee, become immediately due and payable.

SECTION 1.21. In furtherance of and in addition to the assignments made by Mortgagor in of this Mortgage, Mortgagor absolutely and unconditionally ASSIGNS, TRANSFERS, GRANTS, BARGAINS, SELLS, CONVEYS and SETS OVER to Mortgagee, all of its right, title and interest in and to any and all leases, whether now existing or hereafter entered into, and all of its right, title and interest in and to all rents, subject only to the License (hereinafter defined), it being the intention of Mortgagor and Mortgagee that this conveyance be absolute and presently and immediately effective; and is neither conditional nor security for the payment and performance of the Loan, TO HAVE AND TO HOLD the leases and rents unto Mortgagee, forever, and Mortgagor does hereby bind itself and its successors and assigns to warrant and forever defend the title to the rents unto Mortgagee.

Mortgagee hereby grants to Mortgagor a license (the "License") subject to termination of the License and the other terms and provisions of this Mortgage, to exercise and enjoy all incidences of the status of a lessor with respect to the rents, including without limitation, the right to collect, demand, sue for, attach, levy, recover, and receive the rents, and to give proper receipts, releases, and acquittances therefor. Mortgagor hereby agrees to receive all rents and hold the same

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as Mortgagee's agent to be applied, and to apply the Rents so collected, first to the payment of the Indebtedness, next to the performance and discharge of the Obligations, and next to the payment of operating expenses. Neither this assignment nor the receipt of rents by Mortgagee shall effect a *pro tanto* payment of the Indebtedness, and such rents shall be applied as provided in this Section. Furthermore, and notwithstanding the provisions of this Section, no credit shall be given by Mortgagee for any rents until the money constituting the Rents collected is actually received by Mortgagee, and no such credit shall be given for any Rents collected or released after termination of the License or after foreclosure or other transfer of the Premises (or part thereof from which rents are derived pursuant to this Mortgage) to Mortgagee or any other third party.

Upon receipt from Mortgagee of a "Lease Rent Notice", each lessee under the leases is hereby authorized and directed to pay directly to Mortgagee all rents thereafter accruing and the receipt of rents by Mortgagee shall satisfy such lessee's obligations under its Lease to the extent of all amounts so paid. The receipt by a lessee under the leases of a Lease Rent Notice shall be sufficient authorization for such lessee to make all future payments of rents directly to Mortgagee and each such Lessee shall be entitled to rely on such Lease Rent Notice and shall have no liability to Mortgagor for any rents paid to Mortgagee after receipt of such Lease Rent Notice. Rents so received by Mortgagee for any period prior to foreclosure under this Mortgage or acceptance of a deed in lieu of such foreclosure shall be applied by Mortgagee to the payment of the following (in such order and priority as Mortgagee shall determine in its sole and absolute discretion): (a) all operating expenses; (b) all expenses incident to taking and retaining possession of the Premises and/or collecting rent as it becomes due and payable; and (c) the Loan. In no event shall the Loan be reduced except to the extent, if any, that rents are actually received by Mortgagee and applied upon or after said receipt to such Loan in accordance with the preceding sentence. Without impairing its rights hereunder, Mortgagee may, at its option, at any time and from time to time, release to Mortgagor, Rents so received by Mortgagee or any part thereof. As between Mortgagor and Mortgagee, and any person claiming through or under Mortgagor, other than any lessee under the leases that has not received a Lease Rent Notice, this assignment of rents is intended to be absolute, unconditional and presently effective (and not an assignment for additional security), and the Lease Rent Notice hereof is intended solely for the benefit of each such lessee and shall never inure to the benefit of Mortgagor or any person claiming through or under Mortgagor, other than a lessee who has not received such Lease Rent Notice. It shall never be necessary for Mortgagee to institute legal proceedings of any kind whatsoever to enforce the provisions of this Mortgage with respect to Rents. **MORTGAGOR SHALL HAVE NO RIGHT OR CLAIM AGAINST ANY LESSEE FOR THE PAYMENT OF ANY RENTS PAID TO MORTGAGEE HEREUNDER.**

At any time during which Mortgagor is receiving rents directly from any of the lessees under any leases, Mortgagor shall, upon receipt of written direction from Mortgagee, make demand and/or sue for all rents due and payable under one or more leases, as directed by Mortgagee, as it becomes due and payable, including rents which are past due and unpaid. If Mortgagor fails to timely take such action, or at any time during which Mortgagor is not receiving rents directly from lessees under the leases, Mortgagee shall have the right, but shall be under no duty or obligation, to demand, collect and sue for, in its own name or in the name of Mortgagor, all rents due and payable under the Leases, as the same become due and payable, including rents which are past due and unpaid. In furtherance of the foregoing, Mortgagor hereby irrevocably

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constitutes and appoints Mortgagee as Mortgagor's attorney-in-fact, coupled with an interest, to collect and sue for, in the name of Mortgagor, all rents due and payable under the Leases.

Upon payment in full of the Loan and satisfaction of all obligations of Mortgagor, the delivery and recording of a release, satisfaction or discharge of the Mortgage duly executed by Mortgagee and a reassignment of the Rents to Mortgagor, this assignment shall terminate, become null and void and shall be of no further force and effect without any further act or instrument.

SECTION 1.22. As used herein, the following terms shall have the following meanings:

(a) "Environment" means any surface or subsurface water, water vapor, surface or subsurface land, air, fish, wildlife, microorganisms and all other natural resources.

(b) "Environmental Law" means any law, ordinance, rule, regulation or requirement, issued by any federal, state or local governmental or quasi-governmental authority whether now existing or hereinafter enacted, and any judicial or administrative interpretations thereof, regulating the disposal, distribution, generation, handling, manufacture, possession, processing, production, sale, storage, transport, treatment or use of Hazardous Substances or relating to the protection of the Environment.

(c) "Environmental Permits" mean all permits, licenses, approvals, authorizations, consents or registrations required by any applicable Environmental Law in connection with the ownership, use and/or operation of the Premises, including, without limitation those required for the disposal, distribution, generation, handling, manufacture, possession, processing, production, sale, storage, treatment, transport or use of Hazardous Substances.

(d) "Hazardous Substance" means any material whatsoever, which is or may potentially be harmful to the health or safety of human or animal life or vegetation, regardless of whether such material be found on or below the surface of the ground, in any surface or underground water, airborne in ambient air or in the air inside of any structure built or located upon or below the surface of the ground, or in any machinery, equipment or inventory located or used in any such structure, including but not limited to, all hazardous materials, hazardous substances, imminently hazardous substances, hazardous wastes, toxic substances, infectious wastes, pollutants and contaminants from time to time defined, listed, identified, designated or classified as such under any Environmental Law regardless of the quantity of any such material.

(e) "Premises" includes the land surface and the entire subsurface of soil, sand, gravel, stone and rock, all surface water and subsurface water, whether flowing or stagnant, the ambient air, and all structures, fixtures and buildings located, situated or erected on the land, and all machinery and equipment located at or in connection with any such structure.

(f) "Release" means any discharging, disposing, emitting, leaking, pumping, pouring, emptying, injecting, escaping, leaching, dumping or spilling into the Environment (including the abandonment or discarding of barrels, containers and other closed receptacles).

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SECTION 1.23. Mortgagor further represents and warrants that to the best of its knowledge:

(a) Neither Mortgagor, any existing or prior tenant of the Premises, any prior owner thereof nor any other person is the subject of any civil or criminal investigation or enforcement proceeding, whether administrative or judicial, respecting: (i) any Hazardous Substance or threat of a Release on or affecting the Premises; or (ii) any violation of Environmental Law by Mortgagor, any existing or prior tenant of the Premises, any prior owner thereof or any other person with respect to or affecting the Premises;

(b) No litigation involving the Premises is pending against Mortgagor, any existing or prior tenant of the Premises, any prior owner thereof or any other person in any way related to any of the aforementioned persons, or to the best of Mortgagor's knowledge is any such litigation threatened, which seeks to enjoin, remove or remediate a Release or threatened Release, or which seeks any remedy based upon a violation of any Environmental Law or for any injury to any person, property, animal life or vegetation caused by a Hazardous Substance or which seeks to remove or remediate a Hazardous Substance;

(c) Neither Mortgagor, any existing or prior tenant of the Premises, any prior owner thereof, or any other person has received any notice from any governmental or quasi-governmental agency with respect to any Hazardous Substance or any threatened Release on or affecting the Premises, or any violation of Environmental Law by any of the aforementioned persons with respect to or affecting the Premises;

(d) The Premises are not currently used, nor have they been used in the past, by Mortgagor, prior owners, tenants or any other persons in a manner which violates any Environmental Law or which could give rise to liability for Hazardous Substances, nor do conditions exist on or affect the Premises which could violate any such law or give rise to such liability;

(e) There has not been a Release on or affecting the Premises nor is there presently the threat of such a Release; and

(f) Mortgagor and all tenants of the Premises are in compliance with all Environmental Laws and Environmental Permits affecting the Premises.

SECTION 1.24. Mortgagor further covenants that:

(a) Mortgagor shall not use or permit the use of the Premises in a manner which would violate any Environmental Law or give rise to liability for Hazardous Substances, nor shall Mortgagor cause or permit conditions to exist on or affect the Premises which would violate any such law or give rise to such liability.

(b) Mortgagor shall not permit any federal, state or local environmental lien to be levied against the Premises, even if such lien is subordinate to the lien of this Mortgage.

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(c) Mortgagor shall provide Mortgagee with copies of any communications with or notices from any governmental or quasi-governmental authority alleging or responding to an allegation that the Premises are not in compliance with any Environmental Law, within (5) days of Mortgagor's receipt or sending thereof.

(d) Mortgagor and all tenants of the Premises shall possess all required Environmental Permits and shall be in compliance with such permits.

(e) There shall be no Release on or affecting the Premises.

(f) No asbestos shall exist on the Premises in any form, condition or quantity, except as set forth in the assessment(s) prepared by the Consultant (provided that applicable Environmental Law as may exist from time to time do not prohibit the existence of the asbestos in such form, condition or quantity).

(g) Mortgagor and all tenants of the Premises shall at all times be in compliance with the terms of any asbestos monitoring plan prescribed by the Consultant. Pre-existing non-friable asbestos may not be exposed to conditions under which there is a reasonable likelihood that the asbestos or its covering will become damaged, deteriorated, delaminated or any other conditions under which the asbestos could become friable.

(h) Mortgagor and all tenants of the Premises shall comply with any obligations they may have under any Environmental Law affecting the Premises, including but not limited to reporting requirements.

(i) Mortgagor shall provide Mortgagee with a copy of any environmental assessment of the Premises which Mortgagor may obtain, within ten (10) days of the date when Mortgagor receives the assessment.

SECTION 1.25. A breach of any representation or warranty contained in Section 1.23, or covenant contained in Section 1.24 shall be an event of default hereunder after notice by Mortgagee to Mortgagor and thirty (30) days opportunity to cure said default and Mortgagee shall have all of its right, at its option, to declare the entire principal sum and all interest immediately due and payable. Notwithstanding anything herein to the contrary, no right or period of time to cure, shall be given to Mortgagor for breach of any covenant, representation or warranty contained in Section 1.13.

SECTION 1.26. Mortgagee may, provided that Mortgagee had reasonable cause to conduct such tests as the result of information which indicated that a hazardous condition might exist, cause to be conducted environmental assessments of the Premises and surrounding areas from time to time until the loan secured by this Mortgage shall be repaid in full, as it deems necessary in its sole discretion, such audits and tests to be performed by an environmental consultant chosen by Mortgagee. Mortgagor shall pay to Mortgagee on demand the costs of such audits or tests. Any such environmental assessments shall be considered the property of Mortgagee, and Mortgagee shall owe no duty of confidentiality to Mortgagor with respect to the

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contents thereof. It is hereby acknowledged by Mortgagor that Mortgagee shall not vouch for or assume any responsibility for the scope of detail, contents or accuracy of any such environmental assessment, and that neither Mortgagor nor any other party shall have any recourse to or claim against Mortgagee for any act of omission or commission of the environmental consultant. Mortgagor shall fully cooperate with the environmental consultant in its preparation of the assessment, including, but not limited to responding to questions of the consultant, providing the consultant with unlimited access at reasonable times to the Premises, the books and records of Mortgagor, and employees of Mortgagor, and Mortgagor shall cause all tenants of the Premises to do the same. Mortgagee may also from time to time at the reasonable expense of Mortgagor procure the opinion of an attorney competent in environmental law when it believes such an opinion to be reasonably necessary, respecting the environmental condition of the Premises and the terms, conditions, sufficiency of, compliance with the transferability of all existing and/or required Environmental Permits.

In addition, Mortgagee shall have the right to require, from time to time, a certification by Mortgagor and any tenants of the Premises that there has been no change in the environmental condition of the Premises. If there has been an asbestos monitoring plan prescribed by the Consultant, Mortgagor must also from time to time at the request of Mortgagee show evidence of its compliance therewith.

SECTION 1.27. Mortgagor shall fully indemnify and hold harmless Mortgagee, its successors and assigns against: (i) any third party claims involving Hazardous Substances Releases on or affecting the Premises or violation of Environmental Law in any way related to Mortgagor or the Premises; and (ii) any fines, penalty payments, reasonable attorney's fees, sums paid in connection with any judicial or administrative investigation or proceedings, costs of cleanup assessed by a governmental or quasi-governmental agency, and similar expenditures, that relate in any way to Mortgagor or the Premises, without regard to whether Mortgagor would have ultimately been responsible for such third party claims, fines, payments, fees, sums or costs. The foregoing indemnity shall survive payment of the Note and satisfaction of this Mortgage. Any amounts which Mortgagor must pay to Mortgagee under this paragraph are payable upon demand and, if unpaid, shall bear interest per annum at the default interest rate set forth in the Note and such amounts, with interest, shall be added to the indebtedness secured hereby and shall be secured by this Mortgage. The foregoing indemnification shall not apply to a claim or claims arising out of the gross negligence or intentional misconduct of Mortgagee.

SECTION 1.28. (a) To the best of Mortgagor's knowledge, there are no actions, suits or proceedings pending or threatened against Mortgagor, or the Premises, the result of which might have a materially adverse effect upon the Premises or Mortgagor's ability to perform under the Loan Documents.

(b) Mortgagor, immediately upon obtaining knowledge of the institution or pending institution of any proceedings for the condemnation of the Premises (a "Taking") or any portion thereof, will notify Mortgagee thereof. Mortgagee may participate in any such proceedings and may be represented therein by counsel of its selection. Mortgagor from time to time will deliver to Mortgagee all instruments requested by it to permit or facilitate such participation. In the event of such condemnation proceedings, the award or compensation payable is hereby assigned to and

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shall be paid to Mortgagee. Mortgagee shall be under no obligation to question the amount of any such award or compensation and may accept the same in the amount in which the same shall be paid. The proceeds of any award or compensation so received shall, at the option of Mortgagee, either be applied without premium to the prepayment of the Note at the rate of interest provided therein regardless of the rate of interest payable on the award by the condemning authority, or be paid over to Mortgagor from time to time for restoration of the Improvements.

(c) Provided (i) the Premises and Improvements are capable of restoration, and (ii) Mortgagor is not in default under this Mortgage or the Note beyond any applicable grace period, and (iii) Mortgagor, promptly after the condemnation award is settled and/or awarded, proceeds with the restoration, replacement, rebuilding or repair (hereinafter collectively referred to as "Restoration") of the Improvements and Chattels as nearly as possible to the condition they were in immediately prior to such Taking, then all awards received by Mortgagee, on account of such Taking, less the actual cost, fees and expenses, if any, incurred in connection with the adjustment of the loss, shall be paid by Mortgagee, out of such awards as restoration progresses, as the same may be certified by a licensed engineer approved by Mortgagee, upon the written request of Mortgagor, which request shall be accompanied by a title company or official search, or other evidence satisfactory to Mortgagee, showing that there have not been filed with respect to the Premises any vendor's, contractor's, mechanic's, laborer's or materialman's statutory or similar liens which have not been bonded or otherwise discharged of record, except such as will be discharged upon payment of the sum requested.

If the award, less the actual cost, fees and expenses, if any, incurred in connection with the Taking, shall be insufficient to pay the entire cost of such Restoration, Mortgagor will promptly pay the deficiency. It is intended that no trust shall be created by the receipt by Mortgagee of any proceeds of insurance, but only a debtor-creditor relationship between Mortgagee and Mortgagor for an amount equal to such proceeds, nor shall there be any obligation on Mortgagee to pay any interest thereon.

SECTION 1.29. The Mortgage Amount is for commercial purposes only and not for any consumer purpose.

SECTION 1.30. These covenants, warranties and representations shall survive the closing of the loan.

ARTICLE II

EVENTS OF DEFAULT AND REMEDIES

SECTION 2.01. If one or more of the following Events of Default shall happen, that is to say:

(a) if (i) default shall be made in the payment of any principal, interest or any other sum(s) under the Note or Loan Documents, when and as the same shall become due and payable, whether at maturity or by acceleration or as part of any payment or prepayment or otherwise; or

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(b) if default shall be made in the due observance or performance of any covenant or agreement on the part of Mortgagor hereunder, in the Note, or in any other document executed or delivered to Mortgagor in connection with the loan secured hereby, and such default shall have continued for a period of ten (10) business days after notice thereof shall have been given to Mortgagor by Mortgagee or, in the case of such other documents, such shorter grace period, if any, as may be provided for therein, except that if such default may not be reasonably cured within such time period, and Mortgagor shall have commenced to cure such default and shall be diligently pursuing the cure of same, then Mortgagor shall have a reasonable period of time to cure such default up to an aggregate of sixty (60) days. For the purposes of this clause, if any representation made in Section 1.01 hereof shall be incorrect, it shall be deemed to be an Event of Default when made; or

(c) if, by order of a court of competent jurisdiction, a trustee, receiver or liquidator of the Premises or any part thereof, or of Mortgagor shall be appointed and such order shall not be discharged or dismissed within sixty (60) days after such appointment; or

(d) in the event of any materially adverse change in the financial conditions of Mortgagor, or if Mortgagor shall file a petition in bankruptcy or for an arrangement or for reorganization pursuant to the Federal Bankruptcy Act or any similar law, federal or state, or if, by decree of a court of competent jurisdiction, Mortgagor shall be adjudicated a bankrupt, or be declared insolvent, or shall make an assignment for the benefit of creditors, or shall admit its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or receivers of all or any material part of its property, or if Mortgagor shall dissolve or liquidate; or

(e) if any of the creditors of Mortgagor shall file a petition in bankruptcy against Mortgagor or for reorganization of Mortgagor pursuant to the Federal Bankruptcy Act or any similar law, federal or state, and if such petition shall not be discharged or dismissed within ninety (90) days from the entry thereof, or shall not appeal therefrom or from the order, decree or process upon which or pursuant to which said judgment was granted, based or entered, and secure a stay of execution pending such appeal; or

(f) if any of the events enumerated in clauses (c) through (e) of this Section shall happen to Guarantor; or

(g) if it shall be illegal for Mortgagor to pay any tax referred to herein or if the payment of such tax by Mortgagor would result in the violation of applicable usury laws; or

(h) if Mortgagor shall transfer or agree to transfer, in any manner, either voluntarily or involuntarily, by operation of law or otherwise, all or any portion of the Premises, or any interest therein (including any air or development rights), or if Mortgagor is a limited liability company or corporation, any transfer of an interest in Mortgagor, or a transfer of a controlling interest therein without, in any such case, the prior written consent of Mortgagee. Mortgagee may grant or deny such consent in its sole discretion and, if consent should be given, any such transfer shall be subject to this Mortgage and all other documents which evidence or secure the loan secured hereby, and

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any such transferee shall assume all of Mortgagor's obligations hereunder and thereunder and agree to be bound by all provisions and perform all obligations contained herein and therein. Consent to one such transfer shall not be deemed to be a waiver of the right to require consent to future or successive transfers. As used herein, "transfer" shall include, without limitation, any sale, assignment, lease or conveyance.

(i) if Mortgagor shall encumber, or agree to encumber, all or any portion of the Premises, or any interest therein (including any air or development rights) without, in any such case, the prior written consent of Mortgagee. Mortgagee may grant or deny such consent in its sole discretion and, if consent should be given, any such encumbrance shall be subject to this Mortgage and any other documents which evidence or secure the loan secured hereby. Consent to one such encumbrance shall not be deemed to be a waiver of the right to require consent to future or successive encumbrances. As used herein "encumber" shall include, without limitation, the placing or permitting the placing of any mortgage, easement, deed of trust, assignment of rents or other security device; or

(j) Mortgagor (or any other party) occupies or uses the Premises (i) without first obtaining at least a temporary certificate of occupancy therefor or its equivalent and delivering a copy thereof to Mortgagee and/or (ii) Mortgagor (or any other party) thereafter occupies in violation of such certificate of occupancy; or

(k) in the event Mortgagor shall become in default, beyond any applicable grace periods, under the terms of any other loan or agreement with Mortgagee; or

(l) if any judgment for \$25,000 or more shall be rendered against Mortgagor or Guarantor, which shall not be discharged or bonded pending appeal within thirty (30) days from and after the date of entry thereof; or

(m) if Mortgagor fails to furnish to Mortgagee within the time periods set forth herein, any documents executed in connection herewith; or

(o) there shall occur the death of Guarantor; or

(p) failure to comply in all material respects with any requirement or notice of violation of law or ordinance issued by any governmental department claiming jurisdiction over the property within thirty (30) days from the issuance thereof, unless Mortgagor shall have taken necessary steps to cure same or is contesting the appropriateness of same in good faith and by proper proceedings if appropriate reserves are maintained with respect thereto and where noncompliance would not have a material adverse effect on Mortgagor, the Premises or the lien of Mortgagee on the Premises; or

(q) if any representation made in Section 1.01 or any representation, warranty or written statement made by Mortgagor or Guarantor in any report, certificate or financial statement delivered to Mortgagee is false in any material respect; or

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(r) if the Borrower, Maker, Mortgagor or Guarantor of the note shall default in any of its/his/her obligations in any other note, guaranty or mortgage given by Borrower, Maker, Mortgagor or Guarantor to Mortgagee,

Then and in every such case:

I. After any applicable notice and grace periods, interest shall accrue at the Default Rate.

II. During the continuance of any such Event of Default, Mortgagee, by notice given to Mortgagor, may declare the entire principal of the Note then outstanding (if not then due and payable), and all accrued and unpaid interest thereon, to be due and payable immediately, and upon any such declaration the principal of the Note and said accrued and unpaid interest shall become and be immediately due and payable, anything in the Note or in this Mortgage to the contrary notwithstanding.

III. During the continuance of any such Event of Default, Mortgagee personally, or by its agents or attorneys, may enter into and upon all or any part of the Premises, and each and every part thereof, and is hereby given a right and license and appointed Mortgagor's attorney in fact to do so, and may exclude Mortgagor, its agents and servants wholly therefrom; and having and holding the same, may use, operate, manage and control the Premises and conduct the business thereof, either personally or by its superintendents, managers, agents, servants, attorneys, or receivers; and upon every such entry, Mortgagee, at the expense of Mortgagor, from time to time, either by purchase, repairs or construction, may maintain and restore the Premises, whereof it shall become possessed as aforesaid, and may insure the same, and likewise, from time to time, at the expense of Mortgagor, Mortgagee may make all necessary or proper repairs, renewals and replacements and such useful alterations, additions, betterments and improvements thereto and thereon as to it may seem advisable; and in every such case Mortgagee shall have the right to manage and operate the Premises and to carry on the business thereof and exercise all rights and powers of Mortgagor with respect thereto either in the name of Mortgagor or otherwise as it shall deem best; and Mortgagee shall be entitled to collect and receive all earnings, revenues, rents, issues, profits and income of the Premises and every part thereof, all of which shall for all purposes constitute property of Mortgagee, and in furtherance of such right Mortgagee may collect the rents payable under all leases of the Premises directly from the lessees thereunder upon notice to each such lessee that an Event of Default exists hereunder accompanied by a demand on such lessee for the payment to Mortgagee of all rents due and to become due under its lease, and Mortgagor FOR THE BENEFIT OF MORTGAGEE AND EACH SUCH LESSEE hereby covenants and agrees that the lessee shall be under no duty to question the accuracy of Mortgagee's statement of default and shall unequivocally be authorized to pay said rents to Mortgagee without regard to the truth of Mortgagee's statement of the existence of an Event of Default such that the payment of rent by the lessee to Mortgagee pursuant to such a demand shall constitute performance in full of the lessee's obligation under the lease for the payment of rents by the lessee to Mortgagor; and after deducting the expenses of conducting the business thereof and of all maintenance, repairs, renewals, replacements, alterations, additions, betterments and improvements and amounts necessary to pay for taxes, assessments, insurance and other proper charges upon the Premises or

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any part thereof, as well as just and reasonable compensation for the services of all attorneys, independent contractors and agents, clerks, servants and other employees engaged and employed by Mortgagee, Mortgagee shall apply the moneys arising as aforesaid, first, to the payment of the principal of the Note and the interest thereon, when and as the same shall become payable and second, to the payment of any other sums required to be paid by Mortgagor under the Note and/or this Mortgage.

IV. Mortgagee, with or without entry, personally or by its agents or attorneys, insofar as applicable, may:

(1) institute proceedings for the complete or partial foreclosure of this Mortgage, or

(2) take such steps to protect and enforce its rights whether by action, suit or proceeding in equity or at law for the specific performance of any covenant, condition or agreement in the Note or in this Mortgage, or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy or otherwise as Mortgagee shall elect.

SECTION 2.02. (a) Mortgagee may adjourn from time to time any sale by it to be made under or by virtue of this Mortgage by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, except as otherwise provided by any applicable provision of law, Mortgagee, without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.

(b) Upon the completion of any sale or sales made by an officer of any court empowered to do so, shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument or instruments conveying, assigning and transferring all estate, right, title and interest in and to the Premises and rights sold, Mortgagee is hereby irrevocably appointed the true and lawful attorney of Mortgagor in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Premises and rights so sold, and for that purpose, Mortgagee may execute all necessary instruments of conveyance, assignment and transfer and may substitute one or more persons with like power. Mortgagee hereby ratifies and confirms all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Nevertheless, Mortgagor, if requested by Mortgagee, shall ratify and confirm any such sale or sales by executing and delivering to Mortgagee or to such purchaser or purchasers, all said instruments as may be advisable in the sole judgment of Mortgagee, for the purpose and as may be designated in such request. Any such sale or sales made under or by virtue of this Article II, 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, shall operate to divest all estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of Mortgagor in and to the Premises and rights so sold, and shall be a perpetual bar both at law and in equity against Mortgagor and against any and all persons claiming or who may claim the same, or any part thereof from, through or under Mortgagor.

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(c) In the event of any sale or sales made under or by virtue of this Article II (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), the entire principal of, and interest on, the Note, if not previously due and payable, and all other sums required to be paid by Mortgagor pursuant to this Mortgage, immediately thereupon shall, anything in the Note or in this Mortgage to the contrary notwithstanding, become due and payable.

(d) The purchase money proceeds or avails of any sale or sales made under or by virtue of this Article II, together with any other sums which then may be held by Mortgagee under this Mortgage, whether under the provisions of this Article II or otherwise, shall be applied as follows:

FIRST: To the payment of the reasonable costs and expenses of such sale, including reasonable compensation to Mortgagee, its agents and counsel, and of any judicial proceedings wherein the same may be made, and of all expenses, liabilities and advances made or incurred by Mortgagee under this Mortgage, together with interest at the Default Rate on all advances made by Mortgagee, and of all or other charges, except any taxes, assessments or other charges subject to which the Premises shall have been sold.

SECOND: To the payment of the whole amount then due, owing or unpaid upon the Note for principal and interest, with interest on the unpaid principal at the Default Rate from and after the occurrence of an Event of Default described in Section 2.01 hereof from the due date of any such payment of principal until the same is paid.

THIRD: To the payment of any other sums required to be paid by Mortgagor pursuant to any provision of this Mortgage or of the Note, all with interest at the Default Rate, from the date such sums were or are required to be paid under this Mortgage or the Note.

FOURTH: To the payment of the surplus, if any, to whomsoever may be lawfully entitled to receive the same.

(e) Upon any sale or sales made under or by virtue of this Article II, 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, Mortgagee may bid for and acquire the Premises or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the indebtedness secured by this Mortgage the net sales price after deducting therefrom the expenses of the sale and the costs of the action and any other sums which Mortgagee is authorized to deduct under this Mortgage.

SECTION 2.03. (a) After an Event of Default described in clause (a) of Section 2.01 hereof has occurred and is continuing, then, upon written demand of Mortgagee, and after notice of an opportunity to cure, Mortgagor will pay to Mortgagee the whole amount which then shall have become due and payable on the Note, for principal or interest or both, as the case may be, and after the occurrence and continuance of said Event of Default will also pay to Mortgagee interest at the Default Rate on the then unpaid principal of the Note, and the sums required to be paid by Mortgagor pursuant to any provision of this Mortgage, and in addition thereto such further amount as shall be sufficient to cover the costs and expenses of collection, including reasonable

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compensation to Mortgagee, its agents and counsel and any expenses incurred by Mortgagee hereunder. In the event Mortgagor shall fail forthwith to pay such amounts upon such demand, Mortgagee shall be entitled and empowered to institute such action or proceedings at law or in equity as may be advised by its counsel for the collection of the sums so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against Mortgagor and collect, out of the property of Mortgagor wherever situated, as well as out of the Premises, in any manner provided by law, monies adjudged or decreed to be payable with interest thereon at the applicable rate.

(b) Mortgagee shall be entitled to recover judgment as aforesaid either before, after or during the pendency of any proceedings for the enforcement of the provisions of this Mortgage; and the right of Mortgagee to recover such judgment shall not be affected by any entry of sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the provisions of this Mortgage, or the foreclosure of the lien hereof, and in the event of a sale of the Premises, and of the application of the proceeds of sale, as in this property, and of the application of the proceeds of sale, as in this Mortgage provided, to the payment of all amounts hereby secured, Mortgagee shall be entitled to enforce payment by Mortgagor of, and to receive all amounts then remaining due and unpaid upon the Note, and to enforce payment of all other charges, payments and costs due under this Mortgage, and shall be entitled to recover judgment for any portion of the debt remaining unpaid, with interest at the Default Rate. In case of proceedings against Mortgagor in insolvency or bankruptcy or any proceedings for its reorganization or involving the liquidation of its assets, then Mortgagee shall be entitled to prove the whole amount of principal and interest due upon the Note to the full amount thereof, and all other payments, charges and costs due under this Mortgage, without deducting therefrom any proceeds obtained from the sale of the whole or any part of the Premises, provided, however, that in no case shall Mortgagee receive a greater amount than such principal and interest and such other payments, charges and costs due hereunder from the aggregate amount of the proceeds of the sale of the Premises and the distribution from the estate of Mortgagor.

(c) No recovery of any judgment by Mortgagee and no levy of an execution under any judgment upon the Premises or upon any other property of Mortgagor shall affect in any manner or to any extent, the lien of this Mortgage upon the Premises or any part thereof, or any liens, rights, powers or remedies of Mortgagee hereunder, but such liens, rights, powers and remedies of Mortgagee shall continue unimpaired as before.

(d) Any monies thus collected by Mortgagee under this Section 2.03 shall be applied by Mortgagee in accordance with the provisions of clause (d) of Section 2.02 hereof.

SECTION 2.04. After the occurrence and continuance of an Event of Default, and immediately upon the commencement of any action, suit or other legal proceedings by Mortgagee to obtain judgment for the principal of, or interest on, the Note and other sums required to be paid by Mortgagor pursuant to any provision of this Mortgage, or of any other nature in aid of the enforcement of the Guaranty or of this Mortgage, Mortgagor will (a) if required by Mortgagee, not consent to the appointment of a receiver or receivers of the Premises and of all the earnings, revenues, rents, issues, profits and income thereof. After the happening of any Event of Default and during its continuance, and upon the commencement of any proceedings to foreclose this

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Mortgage or to enforce the specific performance hereof, or in aid thereof, or upon the commencement of any other judicial proceeding to enforce any right of Mortgagee, Mortgagee shall be entitled, as a matter of right, if it shall so elect, without the giving of notice to any other party and without regard to the adequacy or inadequacy of any security for the indebtedness secured hereby, forthwith either before or after declaring the unpaid principal of the Note to be due and payable, to the appointment of such a receiver or receivers.

SECTION 2.05. Notwithstanding the appointment of any receiver, liquidator or trustee of Mortgagor, or of any of its property, or of the Premises or any party thereof, Mortgagee shall be entitled to retain possession and control of all property now or hereafter held under this Mortgage.

SECTION 2.06. No remedy herein conferred upon or reserved to Mortgagee 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 other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of Mortgagee to exercise 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 by this Mortgage to Mortgagee may be exercised from time to time as often as may be deemed expedient by Mortgagee. Nothing in this Mortgage or in the Guaranty shall affect the obligation of Mortgagor to pay the principal of, and interest on, the Note in the manner and at the time and place therein respectively expressed.

SECTION 2.07. Mortgagor will not at any time 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 Premises, 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 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 Premises, 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, after any such sale or sales, claim or exercise any right under any statute heretofore or hereafter enacted, or redeem the property so sold or any part thereof, and Mortgagor 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 Mortgagee, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted. Mortgagor, for itself and all who may claim under it, waives, to the extent that it lawfully may, all right to have the Premises marshaled upon any foreclosure hereof.

SECTION 2.08. During the continuance of any Event of Default and pending the exercise by Mortgagee of its right to exclude Mortgagor from all or any part of the Premises, if Mortgagor is using and occupying the Premises, Mortgagor agrees to pay the fair and reasonable rental value for the use and occupancy of the Premises, or any portion thereof, which is in its possession for such period and, upon default of any such payment, will vacate and surrender possession of the Premises to Mortgagee or to a receiver, if any, and in default thereof may be

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evicted by any summary action or proceeding for the recovery of possession of Premises for non-payment of rent, however designated.

ARTICLE III

MISCELLANEOUS

SECTION 3.01. This Mortgage constitutes a present, absolute, unconditional and irrevocable assignment of all of the rents now or hereafter accruing, and Mortgagor, without limiting the generality of the Granting Clause hereof, specifically hereby presently, absolutely, unconditionally and irrevocably assigns, transfers and sets over all of the rents now or hereafter accruing to Mortgagee. The aforesaid assignment shall be effective immediately upon the execution hereof and is not conditioned upon the occurrence of any Event of Default or any other contingency or event, provided, however, that Mortgagee hereby grants to Mortgagor the right and license to collect, receive, use and enjoy the rents as they become due, and not in advance, so long as no Event of Default exists hereunder. Immediately upon the occurrence and during the continuance of any such Event of Default, the foregoing right and license shall be automatically terminated and of no further force or effect. Nothing contained in this Section or elsewhere herein shall be construed to make Mortgagee a mortgagee in possession unless and until Mortgagee actually takes possession of the Premises, nor to obligate Mortgagee to take any action or incur any expense or discharge any duty or liability under or in respect of any leases or other agreements relating to the Premises or any part thereof.

SECTION 3.02. In the event any one or more of the provisions contained in this Mortgage or in the Note or Guaranty shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Mortgage, but this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

SECTION 3.03. All notices hereunder to Lender shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented personally or sent by registered or certified mail, at Lender's address above stated, or at such other address which Lender shall have notified the Borrower in writing. All notices hereunder to Borrower shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented via electronic delivery to the email address provided by Borrower to Lender at closing, or such other email address which Borrower shall have notified Lender of in writing and presented personally or sent by registered or certified mail, at Lender's address above.

SECTION 3.04. Whenever in this Mortgage the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person(s) entitled to receive such notice.

SECTION 3.05. All of the grants, covenants, terms, provisions and conditions herein shall run with the land and shall apply to, bind and inure to the benefit of, the successors and assigns of Mortgagor and the successors and assigns of Mortgagee. If there be more than one

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mortgagor, the covenants and warranties hereof shall be joint and several. As used herein, the singular shall include the plural as the context requires.

SECTION 3.06. No provision in this Mortgage or in the Note shall require the payment, or permit the collection of, interest in excess of the maximum amount permitted by law in commercial construction or permanent mortgage loan transactions between parties of the character of the parties hereto. Mortgagor shall not be obligated to pay any interest in excess of such maximum amount. Any interest paid by Mortgagor in excess of the maximum legal rate of interest shall be retained by Mortgagee as additional cash collateral for repayment of the indebtedness.

SECTION 3.07. This Mortgage may be executed in any number of counterparts and each of such counterparts shall for all purposes deemed to be an original; and all such counterparts shall together constitute but one and the same mortgage.

SECTION 3.08. Intentionally omitted.

SECTION 3.09. The Default Rate provided for herein shall continue to accrue and be paid on any amount to which the Default Rate is applied until said amount is paid in full.

SECTION 3.10. The information set forth on the cover hereof is hereby incorporated herein.

SECTION 3.11. Mortgagor expressly agrees, intending that Mortgagee rely thereon, that this Mortgage also shall constitute a "security agreement" as such term is defined in the Uniform Commercial Code in the jurisdiction wherein the Premises are situated (the "Code"). Mortgaged Property includes, and shall be deemed to include, inter alia, the Chattels and the Intangibles and all other personal property constituting part of Mortgaged Premises, regardless of whether they are held or hereafter acquired, of Mortgagor in, to and under Mortgaged Property together with all proceeds and products thereof (collectively, the "Additional Collateral"). By executing and delivering this Mortgage, Mortgagor has granted, in the same manner and with the same effect described in the Granting Clause hereof, to Mortgagee, as additional security, a security interest in the Additional Collateral which are subject to the Code. If any Event of Default shall occur, Mortgagee shall have, in addition to any and all other rights and remedies set forth in this Mortgage, and may exercise without demand, any and all rights and remedies granted to a secured party under the Code, including, but not limited to, the right to take possession of the Additional Collateral or any part thereof, and the right to advertise and sell the Additional Collateral or any part thereof, pursuant to and in accordance with the power of sale provided for in this Mortgage. Mortgagor agrees that any notice of sale or other action intended by Mortgagee with respect to the Additional Collateral or any part thereof, shall constitute reasonable notice if it is sent to Mortgagor not less than ten (10) days prior to any such sale or intended action. The proceeds of any such sale of the Additional Collateral, or any part thereof, shall be applied in the manner set forth in clauses First through Fifth of Section 2.02(d) of this Mortgage.

SECTION 3.12. At reasonable intervals, but not more frequently than as updated appraisals are required pursuant to Mortgagee's policy for mortgage loans of this type, amount

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and/or risk level, as may be amended from time to time, Mortgagee may order a reappraisal of Mortgaged Property by an independent appraiser of its selection, or by an employee of Mortgagee and Mortgagor agrees to allow access to Mortgaged Property to such independent appraiser or employee of Mortgagee, and in the case of an independent appraiser, to pay to Mortgagee, within thirty (30) days of billing, such appraiser's fee and expenses.

SECTION 3.13. This Mortgage and the other loan documents contain the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements or statements relating to such subject matter. None of the terms and provisions of this Mortgage or of the other loan documents may be changed, waived, discharged or terminated or may any material departure from the provisions hereof or thereof be consented to, except by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge, termination or consent is sought. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. Without limiting the foregoing, acceptance by Mortgagee of any sum required to be paid pursuant hereto or any other loan document after its due date, or in an amount less than the sum then due, shall not constitute a waiver by Mortgagee of its right to require prompt payment when due of all other such sums or to declare a default or to exercise such other rights provided herein or in the other loan documents for such late or reduced payment.

SECTION 3.14. Mortgagor covenants to pay upon demand of Mortgagee all actually-incurred costs, fees and expenses of Mortgagee in connection with (i) the analysis, negotiation, preparation, execution, administration, delivery and termination of this Mortgage, and other loan documents and the documents and instruments referred to herein and therein, and any amendment, restatement, supplement, waiver or consent relating hereto or thereto (collectively an "Amendment"), whether or not any such Amendment is executed or becomes effective, search costs, the reasonable fees, expenses and disbursements of counsel for this Mortgage and the other loan documents, and reasonable charges of any expert consultant to Mortgagee all in connection with any such Amendment, (ii) the enforcement of Mortgagee's rights hereunder, or the collection of any payments owing from Mortgagor under this Mortgage and/or the other loan documents or the protection, preservation or defense of the rights of Mortgagee hereunder and under the other loan documents, and (iii) any refinancing or restructuring of the credit arrangements provided under this Mortgage and other loan documents in the nature of a "work-out" or of any insolvency or bankruptcy proceedings, or otherwise (including the reasonable fees and disbursements of counsel for Mortgagee) (collectively, the "Expenses").

Mortgagor recognizes that Mortgagee may sell and transfer interests in the loan to one or more participants and that all documentation, financial statements, appraisals and other data, or copies thereof, relevant to Mortgagor, may be exhibited to, and retained by, any such participant or prospective participant.

SECTION 3.15. Neither this Mortgage nor any provision hereof may be changed, waived, discharged or terminated, except by an instrument in writing signed by Mortgagee.

SECTION 3.16. The information set forth on the cover hereof is hereby incorporated herein.

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SECTION 3.17. This Mortgage shall be deemed to be a security agreement pursuant to the Uniform Commercial Code of the State of Illinois and is intended to be filed as a financing statement if permitted under the provisions of the Laws of the State of Illinois.

SECTION 3.18. Whenever reference is made in this Mortgage to a lease, lessee, tenancy or tenant, such reference shall be deemed to include a sublease, sublessee, subtenancy or subtenant, as the case may be.

SECTION 3.19. All time periods provided herein shall be deemed to be of the essence.

SECTION 3.20. This Mortgage and the Note secured hereby shall, at any time until the obligations thereunder shall be fully paid and satisfied, at the sole election of Mortgagee, be split or divided into two or more notes and mortgages constituting liens on the Premises or portions thereof in such principal amounts as Mortgagee shall designate but in no event to exceed the aggregate principal amount evidenced by the Note and secured, or which may under any contingency be secured, by this Mortgage. Mortgagor, upon the request of Mortgagee, shall execute, acknowledge and deliver to Mortgagee and/or its designee or designees such documents as may be necessary to effectuate the foregoing, including, without limitation, such supplemental or substitute mortgages, assignments of rents and leases, security agreements, supplemental or replacement notes and other documents as Mortgagee may require. Mortgagor hereby irrevocably appoints Mortgagee as Mortgagor's attorney-in-fact, coupled with an interest, to execute any documents and take any other steps, in Mortgagor's name or otherwise, and at Mortgagor's expense in order to effectuate any or all of the foregoing.

SECTION 3.21. Mortgagor and Mortgagee hereby waive all rights to trial by jury in any action, proceeding, claim or counterclaim arising out of this Mortgage, the Note or any other document executed and/or delivered in connection herewith.

SECTION 3.22. Nothing contained in this Mortgage or the Note or any other document executed and/or delivered in connection herewith shall be deemed or construed to create a partnership or joint venture or any other relationship between Mortgagor and Mortgagee other than that of lender and borrower.

SECTION 3.23. Mortgagee may, either with or without entry or taking possession of the Premises as provided in this Mortgage or otherwise, personally or by its agents or attorneys, and without prejudice to the right to bring an action for foreclosure of this Mortgage, sell the Premises or any part thereof pursuant to the any procedures provided by applicable law, and all estate, right, title, interest, claim and demand therein, and right of redemption thereof, at one or more sales as an entity or in parcels, and at such time and place upon such terms and after such notice thereof as may be required or permitted by applicable law.

SECTION 3.24. The maximum aggregate principal amount of indebtedness that is, or under any contingency may be, secured by this Mortgage (including Mortgagor's obligation to reimburse advances made by Mortgagee), either at execution or at any time thereafter (the "Secured Amount"), is \$503,000.00 plus amounts that Mortgagee expends after a declaration of

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an Event of Default under this Mortgage to the extent that any such amounts shall constitute payment of i) taxes, charges or assessments that may be imposed by law upon any Premises; ii) premiums on insurance policies covering any Premises; iii) expenses incurred in upholding the lien of this Mortgage, including the expenses of any litigation to prosecute or defend the rights and lien created by this Mortgage; or iv) any amount, cost, or change to which Mortgagee becomes subrogated, upon payment, whether under recognized principles of law or equity, or under express statutory authority; then, and in each such event, such amounts or costs together with interest thereon, shall be added to the indebtedness secured hereby and shall be secured by this Mortgage.

ARTICLE IV

ILLINOIS PROVISIONS

Notwithstanding anything contained to the contrary in this Mortgage or in any other Loan Document, if any conflict or inconsistency exists between this Article and the other provisions of this Mortgage or the other Loan Documents, this Article shall govern.

SECTION 4.01. Mortgagor and Mortgagee shall have the benefit of all the provisions of the Act. If any provision of the Act which is specifically referred to herein may be repealed, Mortgagee shall have the benefit of such provision as most recently existing prior to such repeal, as though the same were incorporated herein by express reference..

SECTION 4.02. Mortgagee shall have the right to foreclose the lien of this Mortgage for the Indebtedness and Obligations secured hereby or any part thereof and/or exercise any right, power or remedy provided in this Mortgage or any of the other Loan Documents with respect to the Premises in accordance with the Act. If any provision in this Mortgage shall be inconsistent with any provision of the Act, provisions of the Act shall take precedence over the provisions of this Mortgage that shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act. If any provision of this Mortgage shall grant to Mortgagee (including Mortgagee acting as a mortgagee in possession) or a receiver appointed pursuant to the terms hereof, any powers, rights or remedies prior to, upon or following the occurrence of an Event of Default which are more limited than the powers, rights or remedies that would otherwise be vested in Mortgagee or in such receiver under the Act in the absence of said provision, Mortgagee and such receiver shall be vested with the powers, rights and remedies granted in the Act to the full extent permitted by law.

SECTION 4.03. Without limiting the generality of the foregoing, all expenses incurred by Mortgagee which are of the type referred to in Section 5/15 1510 or 5/15 1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether or not enumerated elsewhere in this Mortgage, shall be added to the obligations secured by this Mortgage and/or by the judgment of foreclosure.

SECTION 4.04. All advances, disbursements and expenditures made by Mortgagee after an Event of Default in accordance with the terms of this Mortgage and the other Loan Documents, either before and during a foreclosure of this Mortgage, and before and after judgment of foreclosure therein, and at any time prior to sale of the Premises, and, where applicable, after

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sale of the Premises, and during the pendency of any related proceedings, in addition to those otherwise authorized by the Act shall have the benefit of all applicable provisions of the Act, including without limitation advances, disbursements and expenditures for the following purposes:

(a) all advances by Mortgagee in accordance with the terms of the Loan Documents to: (i) preserve, maintain, repair, restore or rebuild the Improvements; (ii) preserve the lien of this Mortgage or the priority thereof; or (iii) enforce this Mortgage, as referred to in Section 15 1302(b)(5) of the Act;

(b) payments by Mortgagee of (i) principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrances; (ii) 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 Premises or any part thereof; (iii) other obligations authorized by this Mortgage; or (iv) 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 Act;

(c) advances by Mortgagee in settlement or compromise of any claims asserted by claimants under senior mortgages or any other prior liens;

(d) reasonable attorneys' fees and other costs incurred: (i) in connection with the foreclosure of this Mortgage as referred to in Sections 15 1504(d)(2) and 15 1510 of the Act; (ii) in connection with any action, suit or proceeding brought by or against Mortgagee for the enforcement of this Mortgage or arising from the interest of Mortgagee hereunder; or (iii) in preparation for or in connection with the commencement, prosecution or defense of any other action related to this Mortgage or the Premises;

(e) Mortgagee's fees and costs, including reasonable attorneys' fees, arising between the entry of judgment of foreclosure and the confirmation hearing, as referred to in Section 15 1508(b)(1) of the Act;

(f) expenses deductible from proceeds of sale as referred to in Sections 15 1512(a) and (b) of the Act; and

(g) expenses incurred and expenditures made by Mortgagee for any one or more of the following: (i) if the Premises or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof; (ii) if Mortgagor's interest in the Premises 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; (iii) premiums for casualty and liability insurance paid by Mortgagee whether or not Mortgagee 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 Section 15 1704(c)(1) of the Act; (iv) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (v) payments deemed by Mortgagee to be required for the benefit of the Premises or required to be made by the owner of the Premises under any grant or declaration of easement,

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easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Premises; (vi) shared or common expense assessments payable to any association or corporation in which the owner of the Premises is a member in any way affecting the Premises; (vii) if the Loan secured hereby is a construction loan, costs incurred by Mortgagee for demolition, preparation for and completion of construction, as may be authorized by the applicable Loan Document; (viii) payments required to be paid by Mortgagor or Mortgagee pursuant to any lease or other agreement for occupancy of the Premises; and (ix) if this Mortgage is insured, payment of FHA or private mortgage insurance required to keep such insurance in force.

SECTION 4.05. In addition to any provision of this Mortgage authorizing Mortgagee to take or be placed in possession of the Premises, or for the appointment of a receiver, Mortgagee shall have the right, in accordance with Subsections 5/15 1701 and 5/15 1702 of the Act, to be placed in possession of the Premises or at its request to have a receiver appointed, and any such receiver, or Mortgagee, 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 5/15 1701 and 5/15 1703 of the Act.

SECTION 4.06. Notwithstanding anything contained in this Mortgage to the contrary, the proceeds of any foreclosure sale of the Premises shall be distributed and applied in accordance with Section 15 1512 of the Act in the following order of priority: first, on account of all reasonable costs and expenses incident to the foreclosure proceedings or such other remedy; second, on account of all reasonable costs and expenses in connection with securing possession of the Premises prior to such foreclosure sale, and the reasonable costs and expenses incurred by or on behalf of Mortgagee in connection with holding, maintaining and preparing the Premises for sale, including all such items as are mentioned in 2.02(d) hereof; third, in satisfaction of all claims in the order of priority adjudicated in the foreclosure judgment or order confirming sale; and fourth, any remainder in accordance with the order of court adjudicating the foreclosure proceeding.

SECTION 4.07. To the full extent permitted by law, Mortgagor hereby voluntarily and knowingly waives its rights to reinstatement and redemption to the extent allowed under Sections 15 1601 and 15 1602 of the Act, and to the full extent permitted by law, the benefits of all present and future valuation, appraisal, homestead, exemption, stay, redemption and moratorium laws under any state or federal law.

SECTION 4.08. This Mortgage is given for the purpose of securing loan advances which Mortgagee may make to or for Mortgagor 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, this Mortgage shall secure unpaid balances of loan advances made after this Mortgage is delivered to the Office of the Recorder of the County in which the Premises is located, whether made pursuant to an obligation of Mortgagor 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 and although there may be no indebtedness outstanding at the time any advance is made and all of such indebtedness, including future advances, shall be a lien from the time that this Mortgage is recorded with the Recorder of the

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County in which the Premises is located as provided in 735 ILCS 5/15 1302(b). Such loan advances may or may not be evidenced by notes executed pursuant to the Loan Documents. In addition to the loan advances referred to above, Mortgagee shall have the right, but not the obligation, to make protective advances with respect to the Premises for the payment of taxes, assessments, insurance premiums, repairs, maintenance and other costs incurred in the protection of the Premises (including, without limitation, those protective advances described in Section 4.04 hereof), and such protective advances, together with interest thereon at the Default Rate set forth in the Loan Documents from the date of each such advance until it is repaid in full, shall be secured by this Mortgage with priority running from the time of the recording of this Mortgage with the Recorder of the County in which the Premises is located pursuant to 735 ILCS 5/15 1302(b)(5).

SECTION 4.09. At all times, regardless of whether any Loan proceeds have been disbursed, this Mortgage secures (in addition to the Indebtedness secured hereby) the payment of any and all service charges, liquidated damages, expenses and advances (whether obligatory or at the option of the Mortgagee) due to or incurred by Mortgagee in connection with the Loan; provided, however, that in no event shall the total amount secured hereby exceed an amount equal to \$2,730,000.00 (i.e., two hundred percent (200%) of the face amount of the Note).

SECTION 4.10. (a) Mortgagor acknowledges and agrees that (A) the proceeds of the Loan will be used in conformance with subparagraph (1) of Section 4 of the Illinois Interest Act (815 ILCS 205/0.01, et seq., including Section 4(1) thereof); (B) the Indebtedness secured hereby has been incurred by Mortgagor solely for business purposes of Mortgagor and for Mortgagor's investment or profit, as contemplated by said Section 4(1); (C) the Indebtedness secured hereby constitutes a loan secured by real estate within the purview of and as contemplated by said Section 4(1); and (D) the secured Indebtedness 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 Mortgagor and Mortgagor's investment or profit, as contemplated by said section.

(b) Without limiting the generality of anything contained herein, Mortgagor acknowledges and agrees that the transaction of which this Mortgage is part is a transaction which does not include either agricultural real estate (as defined in 15 1201 of the Act) or residential real estate (as defined in 15 1219 of the Act).

SECTION 4.11. Mortgagor intends for this Mortgage to be executed and delivered by Mortgagor, and accepted by Mortgagee, as a sealed instrument.

SECTION 4.12. The Note shall be due and payable in full on or before the Maturity Date of June 1, 2053, and provided that to the extent that the maturity date of the Note is extended, amended or modified from time to time, the Maturity Date set forth above shall also be so extended, amended or modified, but in no circumstances will this Mortgage secure Indebtedness advanced under the Loan Documents after that date which is twenty five (25) years from the Maturity Date set forth above unless this Mortgage is modified to reflect a new maturity date.

SECTION 4.13. This Mortgage secures the full and timely payment of the Indebtedness, including, among other things, the obligation to pay interest on the unpaid principal balance at a fixed rate of interest to the extent provided in the Note.

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SECTION 4.14. To the extent any items of personal property are or are to become fixtures upon the Premises under applicable law, and to the extent permitted under applicable law, the recording hereof in the real estate records of the county in which the Premises is located shall operate from the time of recording as a fixture filing or fixture financing statement with respect to such personal property, and the following information is applicable for the purpose of such fixture filing, to wit:

Name and Address of the Debtor: The Mortgagor having an address set forth on first page hereof.	Name and Address of the Secured Party: The Mortgagee having an address set forth on the first page hereof.
This Financing Statement covers the following types or items of property: The Personal Property.	
This instrument covers all of the Personal Property which is or is to become fixtures upon the Premises described in Schedule A attached hereto.	
The name of the record owner of the Premises on which such fixtures are or are to be located is Mortgagor.	

This financing statement (fixture filing) is intended to be filed for record in the real estate records of the county in which the Premises is located.

[Remainder of page intentionally left blank; signature page follows.]

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IN WITNESS WHEREOF, this Mortgage has been duly executed by Mortgagor this 3rd day of May 2023.

BORROWER:

Exponent Holdings LLC:

A Illinois limited liability company

By: 

Name: James B Lim

Title: Authorized Signatory

(ACKNOWLEDGEMENTS ON THE FOLLOWING PAGE)

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SCHEDULE A LEGAL DESCRIPTION

The Land referred to herein below is situated in the County of Cook, State of Illinois, and is described as follows:

LOT 50 IN BLOCK 3 IN WILLIAM E. HATTERMAN'S MILWAUKEE AVENUE SUBDIVISION, BEING A SUBDIVISION OF LOTS 15 AND 16 IN BRAND'S SUBDIVISION OF THE NORTHEAST 1/4 OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Note: For informational purposes only, the land is known as :
3537 West Wolfram Street Chicago, IL 60618

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