

Illinois Anti-Predatory Lending Database Program

Certificate of Exemption



Report Mortgage Fraud
844-768-1713



Doc# 2315957023 Fee \$97.00

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

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 06/08/2023 03:08 PM PG: 1 OF 24

The property identified as: **PIN:** 19-36-322-011-0000

Address:

Street: 2940 WEST 87TH STREET

Street line 2:

City: CHICAGO

State: IL

ZIP Code: 60652

Lender: METROPOLITAN COMMERCIAL BANK

Borrower: 87TH STREET PROPERTY HOLDINGS, LLC

Loan / Mortgage Amount: \$13,350,000.00

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

Certificate number: 56211E31-FA0A-46B5-B99A-CA26821F6E3F

Execution date: 6/2/2023

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(For Recorder's Certification)

Title of Document: MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

Date of Document: June 1, 2023

Prepared by: Garfunkel Wild, P.C.
ATTN: Andrew J. Schulson, Esq.
111 Great Neck Road, Suite 600
Great Neck, New York 11021
(516) 393-2200

Property Address: 2940 West 37th Street, Chicago, IL 60652

Real Estate Tax I.D. No.: 19-36-322-011-0000
19-36-322-012-0000
19-36-322-013-0000
19-36-322-014-0000
19-36-322-015-0000
19-36-322-016-0000
19-36-322-017-0000
19-36-322-018-0000

Record and return to:
Madison Title Agency, LLC
1125 Ocean Avenue
Lakewood, NJ 08701
MTA 186088E

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THIS INSTRUMENT COVERS GOODS WHICH ARE OR ARE TO BECOME FIXTURES RELATED TO THE REAL ESTATE DESCRIBED HEREIN AND IS INTENDED TO BE A FIXTURE FILING IN ACCORDANCE WITH SECTION 9-502 OF THE UNIFORM COMMERCIAL CODE AS ADOPTED AND IN EFFECT IN THE STATE OF ILLINOIS (810 ILCS 5/9-502).

Mortgagor's Organizational Identification Number is:
87th Street Property Holdings, LLC: 92-3708330

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS MORTGAGE, THE MAXIMUM AMOUNT OF PRINCIPAL INDEBTEDNESS SECURED BY THIS MORTGAGE, INCLUDING FUTURE ADVANCES, IS \$13,350,000.00.

MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

THIS MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage"), dated as of June 1, 2023, by and among 87TH STREET PROPERTY HOLDINGS, LLC, an Illinois limited liability company (the "Mortgagor"), as mortgagor, whose address is 3450 Oakton Street, Skokie, IL 60076, Attn: Mordy Kaplan and METROPOLITAN COMMERCIAL BANK, a New York state chartered bank (the "Lender"), as mortgagee, whose address is 99 Park Avenue, 12th Floor, New York, New York 10016, Attn: Commercial Lending.

Mortgagor, in consideration of the indebtedness herein recited and the trust herein created, irrevocably GRANTS, BARGAINS, SELLS, CONVEYS, MORTGAGES AND WARRANTS TO LENDER all of the hereinafter described properties, rights and interest, whether now owned or hereafter acquired (said properties, rights and interests, together with any additions hereto that may be subject to the lien of this instrument by means of supplements hereto being hereinafter called the "Mortgaged Property"), and in so far as the Mortgaged Property consists of machinery, equipment, fixtures or any other personal property of any kind or character which is attached to, or is used or useful in connection with, the "Improvements" (as defined below) so as to constitute a fixture under applicable law, or is otherwise personal property of Mortgagor, Mortgagor hereby grants to Lender a security interest in all of Mortgagor's right, title and interest therein (all said machinery, equipment and fixtures so attached or so used or useful, and the other personal property described below, are hereinafter sometimes referred to as the "Personal Property Collateral"), namely:

1. The land as further described in Exhibit A, attached hereto, and any increases or additions thereto (the "Land"), and all air space above the surface of the Land, with the tenements, hereditament, appurtenances, privileges, easements, franchises, rights, appendages and immunities thereunto belonging or appertaining;

2. The leasehold estate (the "Leasehold Estate") arising from that certain Lease Agreement dated as of June 1, 2023 (the "Operating Lease") between 87th Street Property Holdings, LLC, as lessor and Aliya of Wrightwood LLC, as lessee relating to the Land and the Improvements (as defined below);

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3. All buildings, improvements and fixtures (as defined by applicable law) , and all other property constituting real property or real estate under the laws of the State, now located, or hereafter erected, upon the Land (the “Improvements”) , including the property constituting real property or real estate described in Exhibit A hereto, and all right, title and interest of Mortgagor, now owned or hereafter acquired, in and to (i) any and all strips and gores of land adjacent to or used in connection with the Land, (ii) the land within the streets, roads and alleys adjoining all such real property, and (iii) all and singular tenements, hereditaments, appurtenances, privileges, easements, franchises, rights, appendages and immunities whatsoever belonging to or in any wise appertaining to all such real property;

4. Any and all fixtures, appliances, machinery and equipment of any nature whatsoever, and other articles of property (real, personal or mixed) at any time now or hereafter owned by Mortgagor and installed in, attached to or situated in or upon the Land or other real estate described above or the Improvements, or used or intended to be used in connection with the Land or such other real estate or in the operation of the Improvements or in the operation of: Mortgagor’s business thereon, whether or not the said property is or shall be affixed thereto, including, (i) all building materials, fixtures, building machinery and building equipment delivered on site to the real estate during the course of, or in connection with, any construction of any Improvements, (ii) all furniture, furnishings, carpeting, refrigerators, air conditioners, heating units, ranges, stoves, ovens, disposals, dishwashers and other appliances, (iii) all heating, lighting, refrigeration, plumbing, electrical, ventilating, incinerating, water heating, cooking, telephonic communications, data processing, security, air conditioning and energy management equipment, and (iv) any and all subsequently acquired fixtures, appliances, machinery, equipment and personal property by any of renewal, replacement, substitution, addition or otherwise, but excluding any furniture, fixtures, equipment, appliances and equipment not owned by Mortgagor;

5. Any and all of Mortgagor’s accounts, accounts receivable, contract rights, chattel paper, instruments, general intangibles and other obligations of any kind, now or hereafter existing, arising out of or in connection with the Land or Improvements, including without limitation all plans and specifications for the Improvements;

6. Any and all building materials and equipment of Mortgagor which is intended to be attached to and made a fixture on the Land or Improvements;

7. Any and all beds, bureaus, chiffoniers, chests, chairs, desks, lamps, mirrors, bookcases, tables, rugs, carpeting, drapes, draperies, curtains, shades, venetian blinds, screens, paintings, hangings, pictures, divans, couches, luggage carts, luggage racks, stools, sofas, chinaware, linens, pillows, blankets, glassware, food carts, cookware, dry cleaning facilities, dining room wagons, keys or other entry systems, bars, bar fixtures, liquor and other drink dispensers, icemakers, radios, television sets, intercom and paging equipment, potted plants, stoves, ranges, refrigerators, laundry machines, dishwashers, garbage disposals, washers and dryers and other customary senior living facility equipment;

8. Any and all water and water rights, ditches and ditch rights, reservoirs and reservoir rights, stock or interests in water, irrigation or ditch companies, royalties, minerals, oil and gas rights, and lease or leasehold interests owned by Mortgagor, now or hereafter used or useful in

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connection with, appurtenant to or related to the Land or other Mortgaged Property or any part thereof;

9. All leases of the Land or other Mortgaged Property or any part thereof, or of property other than the Land which are related to the use and occupancy of the Improvements, whether now existing or hereafter entered into, including, but not limited to, the Operating Lease (collectively, the "Leases"), and all right, title and interest of Mortgagor thereunder, including cash and securities deposited under said leases, and any and all guaranties of such Leases;

10. All licenses, permits (including building permits), authorizations or approvals of any type or nature whatsoever, now owned or held or hereafter acquired, which relate to the use, development or occupancy of the Land or other Mortgaged Property or any part thereof;

11. All insurance proceeds and condemnation awards relating to the Land, Improvements or other Mortgaged Property or any part thereof, and all funds, moneys, certificates of deposit, instruments, letters of credit and deposits of Mortgagor held by, deposited with, or paid or payable to Lender;

12. All rents from, all issues, uses, profits, proceeds and products of, all replacements and substitutions for, and other rights and interests now or hereafter belonging to, any of the foregoing;

13. All other estates, easements, franchises, interest, licenses, rights, titles, powers or privileges of every kind and character which Mortgagor now has or may hereafter acquire in and to the property and interests described above, including: (i) all present or future estates, easements, franchises, interests, leaseholds, licenses, rights, titles, powers and privileges of Mortgagor in and to all easements, air rights and other rights-of-way in connection with the property and interests described above or any part thereof or as a means of ingress to, or egress from, the Land or the Improvements or any part thereof, (ii) all present or future estates, easements, franchises, interests, leaseholds, licenses, rights, titles, powers, and privileges of Mortgagor in and to the Land or the Improvements or any part thereof, (iii) all present or future estates, easements, franchises, interests, leaseholds, licenses, rights, titles, powers, and privileges, if any, of Mortgagor, either at law or in equity, in possession or in expectancy, in and to the real property or air space, as the case may be, lying in, under, or over the streets, highways, roads, alleys, ways, sidewalks, skywalks, tunnels, or avenues, open or proposed, in front of, above, over, under, through, or adjoining, the Land, and in and to any strips or gores of real property adjoining the Land, and (iv) all present or future estates, easements, franchises, interests, leaseholds, licenses, development rights or credits, air rights, solar rights, water, water rights (whether riparian, appropriative time, or otherwise, and whether or not appurtenant), water, irrigation or ditch stock interests, rights, titles, powers, and privileges appurtenant, or incident to, the Land or the Improvements; and

14. Any and all proceeds of any and all of the foregoing.

TO HAVE AND TO HOLD the Mortgaged Property unto Lender, its successors and assigns, in accordance with the provisions contained herein.

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NOW, THEREFORE, the condition of this Mortgage is such that if Mortgagor shall well and truly pay and perform the Secured Obligations (hereinafter defined), and shall perform, comply with and abide by each and every of the agreements, conditions and covenants contained and set forth in this Mortgage and in the Loan Agreement (hereinafter defined) and the Loan Documents (hereinafter defined), then this Mortgage shall be released, without warranty, at the request and cost of Mortgagor.

AND, Mortgagor does hereby covenant and agree as follows:

ARTICLE ONE

SECURED OBLIGATIONS

1.1 Obligations Secured. This Mortgage is given to secure the payment and performance of the following indebtedness and obligations ("Secured Obligations"), in such order as Lender may elect:

(a) Payment of the obligations defined in that certain Term Loan Credit Agreement between Mortgagor and Lender of even date herewith, and any and all amendments and modifications thereof (the "Loan Agreement"), including the indebtedness evidenced by that certain Promissory Note in the amount of \$13,350,000.00 of even date herewith from Mortgagor, as maker, to Lender, as holder, and any and all amendments, extensions, modifications, substitutions, replacements, refinancings, conversions or renewals thereof; (the "Note"), which Note is hereby incorporated herein by this reference, and the performance and discharge of each and every obligation of Mortgagor set forth in the Loan Agreement and Note;

(b) Payment to Lender of all other sums, with interest thereon, becoming due or payable under the provisions hereof, and payment of all other sums becoming due or payable from Mortgagor to Lender under any and all other instruments, notes, agreements and documents evidencing, securing or otherwise relating to any of the obligations secured by this Mortgage (such other instruments, notes, agreements and documents, together with the Loan Agreement, the Note and this Mortgage, are sometimes hereinafter collectively referred to as the "Loan Documents");

(c) Due, prompt and complete observance and performance of each and every obligation, covenant and agreement of Mortgagor contained herein or in any of the other Loan Documents; and

(d) The payment of such additional sums with interest thereon as may be hereafter borrowed from Lender, its successors or assigns, by Mortgagor or its successors or assigns when evidenced by a promissory note or notes, which by the terms thereof is or are secured by this Mortgage.

1.2 No Commitment. The identification of any particular instrument with the applicable recording office shall not limit the effectiveness of this Mortgage solely to the instrument(s) so identified. The specification of a maximum amount which may be secured hereby

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is intended solely to comply with the statutory requirements governing future advance mortgages and shall not be construed as evidence of a commitment to loan such amount to Mortgagor, nor shall it limit the extent of personal liability under the Note. In the event the indebtedness under the Note is in excess of the maximum amount recited above, this Mortgage shall secure the Note to the extent of said amount, without reduction, until the Note is satisfied in full. Neither the existence nor priority of this Mortgage shall be adversely affected if at any time prior to the expiration of this Mortgage there are no Secured Obligations or the Secured Obligations are reduced to nothing.

ARTICLE TWO

DEFINITIONS

2.1 Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this Mortgage shall have the following meanings unless some other meaning is plainly indicated:

- (a) “Permitted Exceptions” means those items listed as exceptions to title in the policy of loan title insurance issued in favor of Lender insuring the lien of this Mortgage.
- (b) “State” means the State of Illinois.

Capitalized terms not expressly defined herein shall, unless the context requires otherwise, have the meanings given to such terms under the Loan Agreement.

2.2 Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, partnerships, associations and corporations, including public bodies, as well as natural persons.

- (a) “Herein, “hereby, “hereunder, “hereof, “hereto, “hereinbefore,” “hereinafter” and other equivalent words refer to this Mortgage and not solely to the particular article, section, paragraph or subparagraph in which such word is used.
- (b) Reference herein to a particular article or a particular section shall be construed to be a reference to the specified article or section hereof unless the context or use clearly indicates another or different meaning or intent.
- (c) Whenever used herein the word “including” shall mean “including, without limitation.”
- (d) The captions and headings in this Mortgage are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Mortgage.
- (e) All exhibits attached to this Mortgage are incorporated into this Mortgage by reference thereto.

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ARTICLE THREE

GENERAL COVENANTS, REPRESENTATIONS AND WARRANTIES

3.1 Payment and Performance. Mortgagor covenants and agrees to perform, comply with and abide by each and every of the agreements, conditions, representations, warranties and covenants contained and set forth in this Mortgage.

3.2 Title to Mortgaged Property.

(a) 87th Street Property Holdings, LLC, agrees and warrants that it has good and marketable fee simple title to the Mortgaged Property, free and clear of liens and encumbrances, except for the Permitted Exceptions, and that it has good right and lawful authority to mortgage and convey the same in the manner and form herein set forth.

(b) 87th Street Property Holdings, LLC covenants, agrees, and warrants that it is the holder of the Leasehold Estate in the Mortgaged Property, free and clear of liens and encumbrances, except for the Permitted Exceptions, and that it has good right and lawful authority to mortgage and convey the same in the manner and form herein set forth.

3.3 Representations and Warranties. As a material inducement to Lender to enter into the transaction evidenced by the Loan Agreement, Mortgagor hereby unconditionally represents and warrants that (i) the use and occupancy of the Mortgaged Property will comply in full with all requirements of law, (ii) neither the zoning nor any of the right to use any Improvements will be/is to any extent dependent upon or related to any real estate other than the Land, (iii) all approvals, licenses, permits, certifications, filings and other actions required by law with respect to the use and occupancy of the Mortgaged Property by Mortgagor, have been received; and (iv) Mortgagor is duly incorporated and organized under the laws of the State of Missouri and qualified to do business in the State of Illinois.

ARTICLE FOUR

MAINTENANCE, ALTERATIONS AND ADDITIONS

4.1 Maintenance of Mortgaged Property; Compliance with Laws. Mortgagor covenants and agrees to permit, commit or suffer no waste and to maintain the Improvements on the Mortgaged Property at all times in a state of good repair and condition; to comply with, or cause to be complied with, all statutes, ordinances, rules, regulations, notices, orders, decrees and any other requirements of any governmental or other authority relating to the Mortgaged Property, including those relating to the protection of the environment and those relating to the protection of disabled people; and to do or permit to be done to the Mortgaged Property nothing that will alter or change the use and character of the Mortgaged Property, except as contemplated in the Loan Agreement, or in any way impair or weaken the security of this Mortgage. In case of the refusal, neglect or inability of Mortgagor to repair and maintain said Mortgaged Property, Lender may, at its option, make such repairs or cause the same to be made, and advance monies in that behalf.

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4.2 Alterations and Additions. No building or other property now or hereafter covered by the lien of this Mortgage shall be removed, demolished or materially altered, except as contemplated in the Loan Agreement, without the prior written consent of Lender and no addition to or structural changes, except as contemplated in the Loan Agreement, will be made to the Improvements without the prior written approval of Lender.

ARTICLE FIVE

TRANSFERS, ENCUMBRANCES AND LIENS

5.1 Sale or Transfer of Mortgaged Property. No assignment (by operation of law or otherwise), sale or contract to sell, transfer, mortgage or conveyance (a "Transfer") shall be made by Mortgagor of the Mortgaged Property or any part thereof or any right, title or interest therein (including any oil, gas or other mineral interest) without first obtaining the prior written consent, of Lender.

5.2 Claims Against Mortgaged Property. Mortgagor shall pay, from time to time when the same shall become due, all claims and demands of mechanics, materialmen, laborers and others which, if unpaid, might result in or permit the creation of, a lien on the Mortgaged Property, whether, paramount or subordinate to this Mortgage 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 of this Mortgage shall be fully preserved, at the cost of Mortgagor, without expense to Lender; provided, however, Mortgagor shall have the right to contest such claims if Mortgagor posts a statutory bond with the applicable court or furnishes to Lender a bond or otherwise posts security in amount and form satisfactory to Lender.

5.3 Subrogation. Lender, at its option and as additional security hereunder, shall be subrogated to the lien of any prior encumbrance, mechanic's or vendor's lien on the Mortgaged Property paid or satisfied by Lender, or advanced by Lender hereunder or under any of the, Loan Documents, even though the same be released of record.

ARTICLE SIX

TAXES AND PUBLIC CHARGES

6.1 Taxes and Public Charges. Mortgagor agrees to pay to Lender on a monthly basis one-twelfth (1/12) of the estimated amount of the those taxes, assessments and charges listed in this Section 6.1 and any balance which shall be required to pay any such taxes, assessments and charges when due. These payments shall be held by Lender, will not bear interest, and shall be applied for the payment of the foregoing when due. To the extent not paid by Lender, 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 Mortgaged Property or any part thereof or upon the revenues, rents, issues, income and profits of the Mortgaged Property or arising in respect of, the occupancy, use or possession thereof. Mortgagor will, upon

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the request of Lender, deliver to Lender receipts evidencing the payment of all such taxes, assessments, levies, fees, rents and other public charges imposed or assessed against it or the Mortgaged Property or the revenues, rents, issues, income or profits thereof.

ARTICLE SEVEN

INSURANCE

7.1 Insurance. Mortgagor shall keep the Mortgaged Property insured and shall maintain such other insurance as is required of Mortgagor under the terms of the Loan Agreement. All such insurance (and policies therefor) shall be assigned to, and shall be held by and, to the extent of its interest, for the benefit of (and payable in case of loss to) Lender. All policies of insurance shall have attached the non-contributory standard mortgagee clause, or its equivalent, in favor of Lender.

7.2 Evidence of Insurance. Mortgagor shall deliver and keep in Lender's possession at all times originals or certificates of all insurance policies required hereunder and shall deliver renewals of all such policies to Lender at least ten (10) days prior to any expiration or termination thereof. In the event that renewals of policies are not delivered to Lender ten (10) days or more before the termination or expiration of the existing policy or policies, Mortgagor authorizes Lender to act for it and procure at Mortgagor's expense the necessary insurance coverage and agrees to keep insurance so written in force until its expiration date.

7.3 Insurers and Cancellation. All insurance maintained pursuant to the terms of this Mortgage shall be issued by insurers of recognized responsibility acceptable to Lender and which are qualified to do business in Illinois. Each such policy of insurance shall provide that it shall not be canceled or terminated for any reason or modified or amended in any manner so as to reduce the scope or amount of coverage or increase the deductible amount except upon thirty (30) days' prior written notice to Lender.

7.4 Casualty. In the event of any casualty, the adjustment of an insurance claim and the application of the proceeds of any such claim shall be governed by the terms of the Loan Agreement.

7.5 Rights to Insurance After Foreclosure. In the event of foreclosure of this Mortgage, or other transfer of title in full or partial satisfaction of the Secured Obligations or any part thereof, all right, title and interest of Mortgagor in and to any insurance policies then in force, and any proceeds thereof, shall pass to the purchaser or transferee, and Mortgagor shall not be entitled to unearned premiums.

ARTICLE EIGHT

CONDEMNATION

8.1 Condemnation. If all or any part of the Mortgaged Property hereunder be taken or damaged by the exercise of the power of condemnation or eminent domain or any similar governmental proceeding, Mortgagor may contest the same in good faith so long as there is not an

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Event of Default. The award for any property so taken is hereby assigned to Lender, and Lender, upon such award becoming final, is hereby authorized, in the name of Mortgagor, to execute and deliver acquittances for, and release of, any such award and to collect the proceeds. The adjustment of any such condemnation claim and the application of the proceeds of any such condemnation claim shall be subject to the provisions of the Loan Agreement.

ARTICLE NINE

SECURITY AGREEMENT

9.1 Security Agreement and Fixture Filing. This Mortgage, in addition to being a lien on real estate, is also a security agreement by and upon all Personal Property Collateral and creates a valid security interest in and lien on all Personal Property Collateral to secure the payment and performance of the Secured Obligations, and MORTGAGOR HEREBY GRANTS TO LENDER A SECURITY INTEREST IN THE PERSONAL PROPERTY COLLATERAL. This Mortgage shall further serve as a fixture filing pursuant to 810 ILCS 5/9-502. The address of the Mortgagor, as debtor, and Lender, as secured party, together with the organizational identification number of the Mortgagor are set forth on the introductory pages of this Mortgage.

9.2 Remedies of Lender with Respect to Personal Property Collateral. Upon the occurrence of any Event of Default, Lender will have all rights and remedies granted by law, and particularly by the Uniform Commercial Code of the State, including, without limitation, the right to take possession of all Personal Property Collateral, and for this purpose Lender may enter upon any premises on which any or all of the Personal Property Collateral is situated and take possession of and operate the Personal Property Collateral (or any portion thereof) or remove it therefrom. Lender may require Mortgagor to assemble the Personal Property Collateral or any part thereof and make it available to Lender at a place to be designated by Lender which is reasonably convenient to all parties. Unless the Personal Property Collateral or any part thereof is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give Mortgagor reasonable notice of the time and place of any public sale or of the time after which any private sale or other disposition of such Personal Property Collateral is to be made. This requirement of sending reasonable notice will be met if the notice is given to Mortgagor as herein provided at least five (5) days before the time of the sale or disposition.

9.3 Remedies of Lender with Respect to Fixtures Constituting a Part of the Mortgaged Property. Upon the occurrence of an Event of Default, Lender may elect, with regard to the "fixtures" (as that term is defined in 810 ILCS 5/2A-309) constituting a part of the Mortgaged Property, to proceed under this Mortgage or to exercise such rights as are provided by the Uniform Commercial Code of the State.

ARTICLE TEN

DEFAULT AND REMEDIES

10.1 Events of Default. Any of the following shall constitute an "Event of Default" hereunder:

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(a) A breach by Mortgagor of any covenant, condition, agreement, representation or warranty in this Mortgage which is not cured within the applicable notice and cure period, if any, provided in the Loan Agreement with respect to such (or a similar type of) breach; or

(b) Any "Event of Default", as defined in the Loan Agreement, shall occur.

10.2 Remedies Upon Default. At any time after an Event of Default has occurred, the Secured Obligations shall become due at Lender's option forthwith or thereafter at the continuing option of Lender, and this Mortgage shall remain in force, and Lender may exercise any right, power or remedy hereunder or under the Loan Agreement, the Note or otherwise permitted to it by law or by contract, and in particular, without limiting the generality of the foregoing, Lender shall have the absolute right, at its option and election, to pursue one or more of the following rights:

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

(b) Lender shall have the right from time to time to take action to recover any sums, whether interest, principal or any installment of either, or any other sums required to be paid under the terms of this Mortgage, the Loan Agreement, the Note or any of the other Loan Documents, as the same become due, without regard to whether or not the principal sum secured, or any other sums secured, by this Mortgage shall be due, and without prejudice to the right of Lender thereafter to institute foreclosure, or any other action, for any Event of Default existing at the time such earlier action was commenced.

10.3 Entry by Lender. During the continuance of any Event of Default, Lender personally, or by its agents or attorneys, may enter into and upon all or any part of the Mortgaged Property and each and every part thereof, and may exclude Mortgagor, its agents and servants wholly therefrom and, having and holding the same, may use, occupy and control the Mortgaged Property, either personally or by its superintendents, managers, agents, servants, attorneys or receivers; and upon every such entry, Lender, at the expense of the Mortgaged Property or Mortgagor, from time to time, either by purchase, repairs or construction, may maintain and restore the Mortgaged Property, and may complete the construction or development of any improvements and in the course of such completion may make such changes in the contemplated improvements as it may deem desirable and may insure the same; and likewise, from time to time, at the expense of the Mortgaged Property or Mortgagor, Lender may make all necessary or proper repairs, renewals and replacements and such useful alterations, additions, betterments and improvements thereto and thereon as may seem advisable to Lender; and in every such case Lender shall have the right to manage and operate the Mortgaged Property and exercise all rights and powers of Mortgagor with respect thereto either in the name of Mortgagor or otherwise as it shall deem best;

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and Lender shall be entitled to collect and receive all earnings, revenues, rents, issues, profits and income of the Mortgaged Property and every part thereof; and after deducting the expenses of conducting the business thereof and of all maintenance, repairs, renewals, replacements, alterations, betterments and improvements and amounts necessary to pay for taxes, assessments, insurance and prior or other proper charges upon the Mortgaged Property, or any part thereof, as well as just and reasonable compensation for the services of Lender and for all attorneys, counsel, agents, clerks, servants and other employees by it properly engaged and employed, Lender shall apply the monies arising as aforesaid, to the payment of the Secured Obligations (in such order as Lender shall determine).

10.4 Appointment of Receiver. Upon the occurrence of any Event of Default, Lender shall be entitled, without notice to Mortgagor, to apply at any time to a court having jurisdiction thereof for the appointment of a receiver of the Mortgaged Property or any part thereof and of all rents, incomes, profits, issues and revenues thereof, from whatever source derived; and thereupon it is hereby expressly covenanted and agreed that the court shall forthwith appoint such receiver with the usual powers and duties of receivers in like cases; and said appointments shall be made by the court ex parte as a matter of strict right to Lender, and without reference to the adequacy or inadequacy of the value of the Mortgaged Property, or to the solvency or insolvency of Mortgagor or any party defendant to such suit. Mortgagor hereby specifically waives the right to object to the appointment of a receiver as aforesaid and hereby expressly consents that such appointment shall be made ex parte and without notice to Mortgagor as an admitted equity and as a matter of absolute right to Lender. In order to maintain and preserve the Mortgaged Property and to prevent waste and impairment of its security, Lender may, at its option, advance monies to the appointed receiver and all such sums advanced shall become Secured Obligations and shall bear interest from the date of such advance at the Default Rate. Without limiting any other provision hereof, any receiver or receivers shall have all the rights and powers described in Section 15-1704 of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15 1101, et seq., as amended from time to time (the "Act").

10.5 Remedies Cumulative. No remedy conferred upon or reserved to Lender herein or in any of the other Loan Documents is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every remedy given to Lender or now or hereafter existing at law or in equity or by statute. No delay or omission of Lender to exercise any right or power accruing upon any Event of Default herein or in any of the other Loan Documents 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 or in any of the other Loan Documents to Lender may be exercised from time to time as often as may be deemed expedient by Lender. Nothing in this Mortgage or in any of the other Loan Documents shall affect the obligation of Mortgagor to pay its obligations under the Loan Agreement and the Note in the manner and at the time and place therein expressed. In the event of foreclosure, Mortgagor shall be fully liable for any deficiency.

10.6 No Waiver. Any failure by Lender to insist upon the strict performance by Mortgagor of any of the terms and provisions of this Mortgage or the other Loan Documents shall not be deemed to be a waiver of any of the terms and provisions hereof, or of the other Loan Documents, and Lender, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Mortgagor of any and all the terms and provisions of this Mortgage

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and of the other Loan Documents to be performed by Mortgagor; and Lender may resort for the payment of the Secured Obligations to the Mortgaged Property or to any other security therefor held by Lender in such order and manner as Lender may elect.

10.7 Waiver of Redemption and Other Rights. To the extent permitted by the laws of the State, 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 Mortgaged Property or any part thereof, wherever enacted, now or at any time hereafter in force, which may affect the covenants and terms or 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 Mortgaged Property, or any part thereof, prior to any sale or sales thereof which may be made pursuant to any provision herein, or pursuant to the decree, judgment or order of any court of competent jurisdiction; nor, after any such sale or sales, claim or exercise any right under any statute heretofore or hereafter enacted, by any governmental authority or otherwise to redeem the property so sold or any part thereof; 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 Lender, but to suffer and permit the execution of every right and power as though no such law or laws had been made or enacted. Without limiting the generality of the foregoing, to the extent legally permissible, Mortgagor waives all rights of redemption, whether at equity or law, with respect to the Mortgaged Property. Mortgagor, for itself and all who claim under it, waives, to the extent that it lawfully may, all right to have the Mortgaged Property, or any other assets which secure the Secured Obligations, marshaled upon any foreclosure thereof.

ARTICLE ELEVEN

ENVIRONMENTAL COVENANTS

11.1 Environmental Indemnity. Mortgagor hereby incorporates by reference the representations, warranties and covenants of Mortgagor set forth in that certain ADA and Environmental Indemnity Agreement of even date herewith, made by Mortgagor and the other parties thereto in favor of Lender (the "Environmental Indemnity").

11.2 Lender's Right to Inspect. If Lender shall have reasonable cause to believe that the Mortgaged Property is contaminated by Hazardous Substances (as defined in the Environmental Indemnity), or otherwise upon any Event of Default, Lender shall have the right to inspect the Mortgaged Property and the option to obtain environmental assessments of the Mortgaged Property, including the right, at its option, to perform or cause to be performed intrusive borings and testing of soils and/or groundwater. This Mortgage also secures the reasonable cost of such environmental assessments, and all money so paid, with interest thereon from the date of such payment at a rate equivalent to the Default Rate, shall be a Secured Obligation, and shall be repaid by Mortgagor on demand. Mortgagor agrees that Lender shall not be responsible for liability caused by the presence or release of Hazardous Substances during such inspection and/or any environmental assessments except such resulting from the gross negligence or willful misconduct of Lender, its contractors, agents or employees.

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ARTICLE TWELVE

MISCELLANEOUS

12.1 Protection of Lender's Security. Lender may, at its option and without waiving its right to accelerate the Secured Obligations and to foreclose the same, pay after delinquency any or all of those certain obligations required by the terms hereof to be paid by Mortgagor for the protection of the Mortgage or for the collection of any of the Secured Obligations. All sums so advanced or paid by Lender shall become Secured Obligations and shall bear interest from the date thereof at the Default Rate and become an integral part thereof, subject in all respects to the terms, conditions and covenants of the Note and this Mortgage, as fully and to the same extent as though a part of the original indebtedness evidenced by the Note and secured by this Mortgage, excepting, however, that said sums shall be repaid to Lender upon demand by Lender to Mortgagor for said payment.

12.2 Fraudulent Conveyance Savings Provision. Notwithstanding any other provision in this Mortgage or other Loan Documents, the maximum amount of the Secured Obligations secured by this Mortgage shall be \$1,000,000 less than that amount which if so paid or performed would constitute or result in a "fraudulent transfer", "fraudulent conveyance", or terms of similar import, under applicable state or federal law, including, without limitation, Section 548 of the United States Bankruptcy Code.

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

12.4 Successors and Assigns. All of the grants, covenants, terms, provisions and conditions herein shall run with the Land and bind and, subject to the provisions of Section 5.1, shall apply to, inure to the benefit of, the successors and assigns of Mortgagor and the successors and assigns of Lender.

12.5 Mortgagor's Certificate. Promptly upon the request of Lender, Mortgagor will furnish a written statement of the amount owing on the Secured Obligations. Such statement shall also include such other certifications as Lender may reasonably require.

12.6 Notices. All notices required or permitted hereunder shall be in writing, signed by the party giving such notice, and shall be deemed given when delivered personally one (1) business day after delivery to a reputable overnight delivery service providing a receipt, or two (2) business days after deposit in the United States mail, postage prepaid, certified with return receipt requested,

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at the address set forth below, or at such other address as may have been given in accordance with this provision:

if to Mortgagor: To it at its address listed above.

with a copy to: Gutnicki LLP
4711 Golf Road, Suite 200
Skokie, Illinois 60076
Attention: Aaron Rokach, Esq.

if to Lender: To it at its address listed above.

with a copy to: Garfunkel Wild, P.C.
111 Great Neck Road, Suite 600
Great Neck, New York 11021
Attention: Andrew J. Schulson, Esq.

12.7 Corrections and Future Acts. Mortgagor will, upon request of Lender, promptly correct any defect, error, or omission which may be discovered in the contents of this Mortgage or in the execution or acknowledgment hereof, and will execute, acknowledge, and deliver such further instruments and do such further acts as may be necessary or as may be reasonably requested by Lender to carry out more effectively the purpose of this Mortgage, to subject to the lien and security interest hereby created any of Mortgagor's properties, rights, or interest covered or intended to be covered hereby, and to perfect and maintain such lien and security interest.

12.8 Indemnification. Mortgagor shall indemnify, defend, hold harmless and reimburse Lender for any liability, damage, or expense, including attorneys' fees and amounts paid in settlement, which Lender may incur or sustain in the execution of this Mortgage or in the doing of any act which it is required or permitted to do by the terms hereof or by law, and shall be reimbursed therefor in accordance with the provisions of Section 12.1. However, Mortgagor shall not be obligated to indemnify, defend, hold harmless and reimburse Lender from any such liabilities, damages or expenses to the extent such are attributable to the gross negligence or willful misconduct of Lender or any of its agents, contractors or employees.

12.9 Governing Law. This Mortgage is and shall be deemed to be a contract entered into pursuant to the laws of the State and shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State.

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

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

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

12.13 Satisfaction. The lien and security interest provided by this Mortgage will continue unimpaired and in full force and effect unless and until the Secured Obligations are paid in full and all of Mortgagor's covenants and agreements are fully performed, whereupon such lien and security interest will be without further force and effect and this Mortgage shall be released of record at the cost of Mortgagor.

12.14 Assignment. If requested by Mortgagor, the Lender will cooperate with Mortgagor in assigning its interests in Loan Documents including this Mortgage; provided, any such assignment shall be made upon documents and terms acceptable to Lender and Lender shall have received payment of all principal, interest, fees and costs due under the Loan Documents and this Mortgage.

12.15 **WAIVER OF TRIAL BY JURY**. Mortgagor and Lender hereby waive trial by jury in any court action or proceeding to which they may be parties, arising out of, in connection with or in any way pertaining to, this Mortgage or any other documents evidencing or securing the loan evidenced by the Note. It is agreed and understood that this waiver constitutes a waiver of trial by jury of all claims against all parties to such action or proceedings, including claims against parties who are not parties to this Mortgage, in each case whether now existing or hereafter arising. This waiver is knowingly, willingly and voluntarily made by the parties and the parties hereby represent that no representations of fact or opinion have been made by any individual to induce this waiver of trial by jury or to in any way modify or nullify its effect. The parties further represent and warrant that they have been represented in the signing of this Mortgage and in the making of this waiver by independent legal counsel, or have had the opportunity to be represented by independent legal counsel selected of their own free will, and that it have had the opportunity to discuss this waiver with counsel. Either party may file an original counterpart or a copy of this document with any court as written evidence of the consent of the other to the waiver of its right to trial by jury.

ARTICLE THIRTEEN

STATE SPECIFIC PROVISIONS

13.1 Inconsistencies. In the event of any inconsistencies between the terms and conditions of this Article Thirteen and the other provisions of this Mortgage, the terms and conditions of this Article Thirteen shall control and be binding.

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13.2 Conveyances: General Terms.

(a) Mortgagor mortgages and warrants the Property to Lender with full covenants of ownership, good right to convey, general warranty and other covenants set forth in 765 ILCS 5/9.

(b) The lien of this Mortgage shall be valid as to all indebtedness secured hereby, from the time of its filing for record in the recorder's or registrar's office of the county in which the real estate is located as provided in Section 5/15-1302(b)(1) and Section 5/15-1302(b)(3) of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15 1101, et seq., as amended from time to time (the "Act").

(c) This Mortgage is intended to and shall be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the real estate, to the extent of the maximum amount secured hereby; provided, however, that the maximum amount secured by this Mortgage shall not exceed an amount equal to two times the face amount of the Note plus Protective Advances (as defined below) and other costs and expenses which the Lender is entitled to add to the Secured Obligations pursuant to the terms of this Mortgage.

(d) The final maturity date of the Secured Obligations is November 30, 2024.

(e) The obligations and liabilities of the Mortgagor under the Loan Documents bear interest at an interest rate or rates based upon the terms and provisions set forth therein, which provisions are incorporated herein by reference as if fully set forth herein.

(f) Mortgagor acknowledges that the Property does not constitute agricultural real estate, as said term is defined in Section 5/15-1201 of the Act or residential real estate as defined in Section 5/15-1219 of the Act.

(g) Pursuant to Section 5/15-1601(b) of the Act, Mortgagor hereby waives any and all right to redemption.

13.3 The proceeds of the Secured Obligations shall be used solely for business purposes and in furtherance of the regular business affairs of the Mortgagor, and the entire principal obligation secured hereby constitutes (i) a "business loan" as that term is defined in 815 ILCS 205/4(1)(c); and (ii) a "loan secured by a mortgage on real estate" within the purview and operation of 815 ILCS 205/4(1)(l).

13.4 Mortgage Foreclosure and Receivers.

(a) Without limiting any other provision hereof, any receiver or receivers shall have all the rights and powers described in Section 15-1704 of the Act.

(b) In addition to any provision herein authorizing the Lender to take or be placed in possession of the Property, or for the appointment of a receiver, the Lender shall have the right, exercisable upon the occurrence and during the continuance of an Event of Default and

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in accordance with Sections 5/15-1701 and 5/15-1702 of the Act, to be placed in possession of the Property or at its request to have a receiver appointed, and such receiver, or the Lender, if and when placed in possession, shall have, in addition to any other powers provided in this Mortgage, all powers, immunities, and duties as provided for in Sections 5/15-1701 and 5/15-1703 of the Act.

(c) Upon the occurrence of an Event of Default, the Lender shall have the right to proceed with foreclosure (judicial or nonjudicial) in accordance with applicable law of the liens and security interests hereunder without declaring the entire Secured Obligations due, and in such event any such foreclosure sale may be made subject to the unmatured part of the Secured Obligations; and any such sale shall not in any manner affect the unmatured part of the Secured Obligations, but as to such unmatured part this Mortgage shall remain in full force and effect just as though no sale had been made. The proceeds of such sale shall be applied as provided herein.

(d) If any provision in this Mortgage shall be inconsistent with any provision of the Act or the other foreclosure laws of the state where the Property is located, the provisions of such laws shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with such laws. If any provision of this Mortgage shall grant to the Lender any rights or remedies upon an Event of Default which are more limited than the right that otherwise would be vested in the Lender under the Act from time to time in the absence of said provision, the Lender shall be vested with the rights in the Act to the full extent permitted by law. If any provision of the Act which is specifically referred to herein may be repealed, the Lender 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.

13.5 Protective Advances.

(a) All advances, disbursements and expenditures made by the Lender before and during a foreclosure, and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by this Mortgage or by the Act (collectively "**Protective Advances**"), shall have the benefit of all applicable provisions of the Act, including, but not limited to, those provisions of the Act herein below referred to:

(i) all advances by the Lender in accordance with the terms of this Mortgage to: (1) preserve or restore the mortgaged real estate; (2) preserve the lien of this Mortgage or the priority thereof; or (3) enforce this Mortgage, as referred to in Subsection (b)(5) of Section 5/15-1302 of the Act;

(ii) payments by the Lender of: (1) when due installments of principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrance; (2) when due installments of real estate taxes and general and special assessments, and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Property or any part thereof; (3) other obligations authorized by this Mortgage; or (4) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 5/15-1505 of the Act;

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

(iv) attorneys' fees and other costs incurred: (1) in connection with the foreclosure of this Mortgage as referred to in Sections 1504 (d)(2) and 5/15-1510 of the Act; (2) in connection with any action, suit or proceeding brought by or against the Lender for the enforcement of the Mortgage or arising from the interest of the Lender hereunder; or (3) in the preparation for the commencement or defense of any such foreclosure or other action related to the Mortgage or the mortgaged real estate;

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

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

(vii) expenses incurred and expenditures made by the Lender for any one or more of the following: (1) premiums for casualty and liability insurance required by the Loan Documents paid by the Lender whether or not the Lender or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or the Lender takes possession of the Property imposed by Subsection (c)(1) of Section 5/15-1704 of the Act; (2) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (3) payments required or deemed by the Lender to be for the benefit of the Property or required to be made by the owner or occupant of the Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Property; and (4) shared or common expense assessments payable to any association or corporation in which the owner of the Property is a member in any way affecting the Property.

(b) All Protective Advances shall be so much additional amounts or obligations secured by the Mortgage, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the rate due and payable after a default under the terms of the Loan Documents.

(c) This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to Subsection (b)(1) of Section 5/15-1302 of the Act.

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

(i) determination of the amount of obligations secured by this Mortgage at any time;

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

(iii) if right of redemption has not been waived by the Mortgagor in this Mortgage, computation of amount required to redeem, pursuant to Subsections (d)(2) and (e) of Section 5/15-1603 of the Act;

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

(v) application of income in the hands of any receiver or mortgagee in possession; and

(vi) computation of any deficiency judgment pursuant to Subsections (b)(2) and (e) of Sections 5/15-1508 and Section 5/15-1511 of the Act.

13.6 Collateral Protection Act. If at any time the Mortgagor fail to provide the Lender with evidence of the insurance coverage required by this Mortgage and the other Loan Documents, the Lender may purchase insurance at the Mortgagor's expense to protect the Lender's interest in the Property. This insurance may, but need not, protect the Mortgagor's interests. The coverage that the Lender purchases may not pay any claim that the Mortgagor may make or any claim that is made against the Mortgagor in connection with the Property. The Mortgagor may later cancel any insurance purchased by the Lender, but only after providing the Lender with evidence that the Mortgagor have obtained insurance as required by this Mortgage and the other Loan Documents. If the Lender purchases insurance for the Property, the Mortgagor will be responsible for the costs of that insurance, including interest and any other charges that the Lender imposes in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the Mortgagor's total outstanding balance or obligation secured hereby. The costs of the insurance may be more than the costs of insurance that the Mortgagor may be able to obtain through the Mortgagor's own efforts. For purposes of the Illinois Collateral Protection Act, 815 ILCS 180/1 et seq., Mortgagor hereby acknowledges Lender's right pursuant to this paragraph to obtain collateral protection insurance.

13.7 UCC. All references to the Uniform Commercial Code in this Mortgage shall refer to such code as in effect in the State of Illinois. This Mortgage constitutes a financing statement filed as a fixture filing in the Official Records of the County in which the Property is located under the Illinois Uniform Commercial Code with respect to any Property which now or hereafter may become fixtures.

13.8 Assignment of Rents. Notwithstanding anything to the contrary contained in 765 ILCS 5/31.5, Mortgagor agrees that the mere recordation of the Mortgage entitles Lender immediately to collect and receive Rents and Accounts Receivable upon the occurrence of an Event of Default, without first taking any acts of enforcement under applicable law, including providing notice to Mortgagor, filing foreclosure proceedings, or seeking the appointment of a

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receiver. Further, Lender's right to the Rents and Accounts Receivable does not depend on whether or not Lender takes possession of the Property as permitted under Section 10.2. In Lender's sole discretion, Lender may choose to collect Rents either with or without taking possession of the Property. It is the express intention of Mortgagor and Lender to "otherwise agree" as permitted in 765 ILCS 5/31.5 that after an Event of Default, Lender is entitled to immediately collect rents (and Mortgagor hereby agrees they will immediately pay all such rents to Lender) without Lender having to take any steps to enforce the assignment.

13.9 Property Manager Lien Subordination. Any property management agreement between Mortgagor or any agent of the Mortgagor and a property manager for or relating to all or any part of the Property, whether now in effect or entered into hereafter, shall contain a subordination provision whereby the property manager forever and unconditionally subordinates to the lien of this Mortgage and the Loan Documents any and all mechanics' lien rights and claims that it or anyone claiming through or under it may have at any time pursuant to any statute or law (including, without limitation, 770 ILCS 60/1). Such property management agreement or a short form thereof including such subordination shall, at Lender's request, be recorded with the Office of the Recorder of Deeds for the county in which the Property is located. Mortgagor's failure to cause any of the foregoing to occur shall constitute an Event of Default under Section 10.1 of this Mortgage.

[Remainder of Page Intentionally Left Blank; Signatures Follow]

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{Signature Page to Mortgage, Security Agreement and Fixture Filing}

IN WITNESS WHEREOF, Mortgagor has duly executed this Mortgage as of the day and year first hereinabove written.


87TH STREET PROPERTY HOLDINGS, LLC
an Illinois limited liability company

By: 
Name: Mordechai Kaplan
Its: Authorized Signatory

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

On this 30 day of May, 2023, before me personally appeared Mordechai Kaplan, to me known to be the person described in and who executed the foregoing instrument, who being by me duly sworn, did say he is the Authorized Signatory of 87th Street Property Holdings, LLC, and acknowledged said instrument to be his free act and deed and the free act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written


Print Name: Anne Harvick Prikos
Notary Public in and for said
County and State

My Appointment Expires:

11-22-2026



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EXHIBIT A

Property Address: 2940 West 87th Street, Chicago, IL 60652

Permanent Index No. 19-36-322-011-0000
 19-36-322-012-0000
 19-36-322-013-0000
 19-36-322-014-0000
 19-36-322-015-0000
 19-36-322-016-0000
 19-36-322-017-0000
 19-36-322-018-0000

Legal Description:

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Chicago, County of Cook, State of Illinois.

LOTS 1, 2, 3, 4, 5, 6, 7 AND 8 IN WILBERT L. SEEVER'S SUBDIVISION OF THE WEST 15 ACRES OF THE EAST 35 ACRES OF THE SOUTH 60 ACRES OF THE SOUTHWEST 1/4 OF SECTION 36 (EXCEPT ALL THAT PART OF SAID WEST 15 ACRES, WHICH LIES WEST OF THE EAST LINE OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 36), ALL IN TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO PLAT THEREOF RECORDED MARCH 16, 1953 AS DOCUMENT 15568363 IN COOK COUNTY, ILLINOIS.

NOTE FOR INFORMATION: Being Parcel No(s). 19-36-322-011-0000, 19-36-322-012-0000, 19-36-322-013-0000, 19-36-322-014-0000, 19-36-322-015-0000, 19-36-322-016-0000, 19-36-322-017-0000 and 19-36-322-018-0000, of the City of Chicago, County of Cook.