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Illinois Anti-Predatory Lending Database Program

Doc#: 2325113241 Fee: \$107.00

Karen A. Yarbrough

Cook County Clerk

Date: 09/08/2023 10:14 AM Pg: 1 of 21

Certificate of Exemption



Report Mortgage Fraud

844-768-1713 8/29/23

23GHD676018L2

The property identified as:

PIN: 08-27-203-006-0000

Address:

Street: 1650 Howard St

Street line 2:

City: Elk Grive Village

State: IL

ZIP Code: 60007

Lender: Stock Yards Bank & Trust Company

Borrower: Founders Asset Management, LLC

Loan / Mortgage Amount: \$4,250,000.00

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: 09B768FD-63A3-482A-9EAA-C12EEBDC150B

Execution date: 8/29/2023

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

THIS MORTGAGE, ASSIGNMENT OF RENTS AND LEASES, COMMERCIAL SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made and entered into effective as of September 1, 2023, by **FOUNDERS ASSET MANAGEMENT, LLC**, a Kentucky limited liability company, with its principal place of business at 4520 Bishop Lane, Louisville, Kentucky 40218 (hereinafter referred to as "Mortgagor") in favor of **STOCK YARDS BANK & TRUST COMPANY**, a Kentucky banking corporation, with address of 1040 East Main Street, Louisville, Jefferson County, Kentucky 40206 (hereinafter referred to as the "Lender"). All capitalized terms used herein but not otherwise defined shall have the same meaning assigned to such capitalized terms in the Loan Agreement (as defined below).

This Mortgage covers property that is or may become so affixed to real property so as to become fixtures, and is also to be filed of record in the same office of real estate records as a fixture filing under Applicable Law. This Mortgage is for commercial purposes and secures not only existing indebtedness or advances made contemporaneously with the execution hereof, but also future advances, whether obligatory or optional, or both, to the same extent as if such future advances were made contemporaneously with the execution of this Mortgage, even if no advance is made at the time of execution of this Mortgage, and even if no indebtedness is outstanding at the time any advance is made.

WITNESSETH:

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited, the receipt of which is hereby acknowledged, Mortgagor hereby grants, bargains, mortgages, warrants, transfers, conveys, and assigns unto Lender, its successors and assigns, forever that certain real property located in Elk Grove Village, Cook County, Illinois, as more particularly described in **Exhibit A** attached hereto and made a part hereof (the "Property").

TOGETHER with all rents, issues, profits, royalties, revenue, income and other benefits derived from the Property (collectively, the "Rents"), subject to the right, power and authority hereinafter given to Mortgagor to collect and apply such Rents;

TOGETHER with all right, title and interest of Mortgagor in and to all leasehold estates, leases (including the Lease), written or oral, now in existence or hereafter arising, all other agreements for the use and occupancy of all or any portion of the Property, and any and all extensions or renewals of any thereof, the right, power and authority of Mortgagor to alter, modify or change the terms hereof, or surrender, cancel or terminate the same, and all other rights, titles, and interests of Mortgagor thereunder including, without limitation, all cash or security deposits, advance rentals, and deposits or payments of similar nature together with any and all guarantees of any obligations of any lessee under each of the foregoing;

TOGETHER with all right, title and interest of Mortgagor, in and to all options to purchase or lease the Property or any portion thereof or interest therein, and any greater estate in the Property owned or hereafter acquired;

TOGETHER with all interest, estate or other claims, both in law and in equity, which Mortgagor now has or may hereafter acquire in the Property;

TOGETHER with all easements, rights of way and rights used in connection therewith or as a means of access thereto, and all tenements, hereditaments, and appurtenances thereof and thereto;

TOGETHER with all right, title and interest of Mortgagor, now owned or hereafter acquired, in and to any land lying within the right of way of any street, open or proposed, adjoining the Property, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Property;

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TOGETHER with any and all buildings, structures and improvements now or hereafter erected thereon, including, but not limited to, the fixtures, attachments, appliances, equipment, machinery, and other articles attached to said buildings and improvements and owned by Mortgagor (the "Improvements");

TOGETHER with all right, title and interest in and to all tangible personal property owned by Mortgagor, and now or at any time hereafter located on or at the Property or used in connection therewith (the "Personal Property") including, but not limited to, all goods, machinery, tools, insurance proceeds and refunds of insurance premiums, equipment (including fire sprinklers and alarm systems, office air conditioning, heating, refrigerating, electronic monitoring, entertainment, recreational, window or structural cleaning rigs, maintenance equipment, equipment for the exclusion of vermin or insects, removal of dust, refuse or garbage and all other equipment of every kind), lobby and all other indoor and outdoor furniture (including tables, chairs, planters, desks, sofas, shelves, lockers and cabinets), wall beds, wall safes, furnishings, appliances (including ice boxes, refrigerators, fans, heaters, stoves, water heaters and incinerators), inventory, rugs, carpets and other floor coverings, draperies and drapery rods and brackets, awnings, window shades, venetian blinds, curtains, lamps, chandeliers and other lighting fixtures and office maintenance and other supplies; and

TOGETHER with all the estate, interest, right, title, other claim or demand including, without limitation, claims or demands with respect to the proceeds of, and refunds of premiums on, insurance in effect with respect thereto, which Mortgagor now has or may hereafter acquire in or with respect to the Property and the Mortgaged Estate, as hereinafter defined, and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Mortgaged Estate including, without limitation, any awards resulting from a change of grade or streets and awards for severance damages.

The entire estate, the Property, the Rents, the Improvements, the Personal Property, and any other interest hereby mortgaged and conveyed to Lender, to the fullest extent allowed by Applicable Law are hereby declared to be permanent accessions to the freehold and part of the Property described herein, and may hereinafter be referred to collectively as the "Mortgaged Estate."

TO HAVE AND TO HOLD said Mortgaged Estate to Lender and its successors and assigns forever, and Mortgagor covenants, represents and warrants that Mortgagor is lawfully seized in fee of the Mortgaged Estate, has a good right to and lawful authority to grant, bargain, mortgage, transfer, convey, warrant and assign the same, and the same is unencumbered except for (i) easements and restrictions of record on the date hereof, none of which materially interfere with the use of the Mortgaged Estate for the operation thereof intended by Mortgagor, (ii) those items duly recorded in the appropriate government office, (iii) the lien of ad valorem real estate taxes and any assessments for which payment is not delinquent in either case, and (iv) any liens expressly permitted by the express terms of the Loan Documents (the encumbrances and liens described in the foregoing subsections (i) – (iv) are referred to collectively as the "Permitted Exceptions").

Mortgagor further covenants and binds itself, its successors and assigns, to warrant and defend the title to the Mortgaged Estate to the Lender, its successors and assigns, forever against the claims of any and all Persons whomsoever.

This Mortgage is made to secure the following, to-wit:

a. Loan Agreement. The payment and performance of all obligations of Mortgagor to Lender under the terms of that certain Loan Agreement, dated effective as of the date hereof, by and between Mortgagor and Lender (as amended from time to time, the "Loan Agreement");

b. \$4,250,000.00 Term Loan. Mortgagor's payment of that certain Term Promissory Note made by Mortgagor payable to Lender, dated effective as of the date hereof in the original principal amount of Four Million Two Hundred Fifty Thousand and No/100 Dollars (\$4,250,000.00) with a maturity date of September 1, 2030 (as amended from time to time, the "Note");

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c. **Renewals and Modifications.** All amounts owed under any renewals, modifications, or extensions of any of the foregoing;

d. **Additional Sums.** The payment of all sums advanced by Lender to protect or preserve the Collateral, after the occurrence of any Event of Default under the terms of any of the Loan Agreement, this Mortgage, and any other collateral agreements now or hereafter executed by Mortgagor in connection with the Loan Agreement or Note, and the continuation of such default after any applicable notice and opportunity to cure provision contained therein, to protect the Mortgaged Estate, with interest thereon at the highest default rate of interest set forth in the Note; and

e. **Additional Indebtedness.** All loans, advances, indebtedness and each and every other obligation or liability of Mortgagor owed to Lender, however created, of every kind and description, whether now existing or hereinafter arising and whether direct or indirect, primary or as guarantor or surety, absolute or contingent, due or to become due, liquidated or unliquidated, matured or unmatured, participated in whole or in part, created by trust agreement, lease, overdraft, agreement or otherwise, whether or not secured by additional collateral, whether originated with Lender or owed to others and acquired by Lender by purchase, assignment or otherwise, and including, without limitation, all loans, advances, indebtedness and every obligation arising under the Loan Agreement, the Note, or any other Loan Document, all obligations to perform or forbear from performing acts, all amounts represented by letters of credit now or hereinafter issued by Lender for the benefit of or at the request of Mortgagor, all agreements, instruments and documents evidencing, guarantying, securing or otherwise executed in connection with any of the foregoing, together with any amendments, modifications, and restatements thereof, and all expenses and attorneys' fees incurred or other sums disbursed by Lender under this Mortgage or any other document, instrument or agreement related to any of the foregoing.

All of the indebtedness and other obligations described in the foregoing paragraphs a. through e. are hereinafter sometimes collectively referred to as the "Obligations".

This instrument secures the Obligations and any extensions, modifications, and/or renewals and substitutions thereof, and any notes or other obligations given in payment of principal or interest, and all reasonable attorneys' fees, court costs, and reasonable expenses of whatever kind incident to the collection of said indebtedness and/or the enforcement and/or protection of the lien of this Mortgage.

This Mortgage shall have priority at all times over any and all mechanics', furnishers and materialmen's liens and Lender does not consent to any contract for or materials within the meaning of Applicable Law. No contract for labor or materials will be let by Mortgagor except with the express stipulation that any mechanics' or materialmen's liens resulting therefrom shall at all times be subordinate to the lien of this Mortgage.

This Mortgage, the Loan Agreement, the Note, and any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby, may hereafter be referred to individually, or collectively as the "Loan Documents".

As part of the consideration for the indebtedness secured hereby and to protect the security of this Mortgage, Mortgagor covenants and agrees as follows:

ARTICLE I COVENANTS AND AGREEMENTS OF MORTGAGOR

Mortgagor hereby covenants and agrees:

1.01 **Payment of Obligations.** That the principal of, and the interest on, the Obligations, charges, fees and all other sums as provided in the Loan Documents, and the principal of, and interest on, any future advances secured by this Mortgage shall be paid when due.

1.02 **Maintenance, Repair, Alterations.** To keep (or cause to be kept) the Mortgaged Estate in good condition and repair, ordinary wear and tear excepted; not to remove, demolish or substantially alter (except

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such alterations as may be required by laws, ordinances or regulations) any of the Mortgaged Estate; subject to any event or effect that, through the exercise of reasonable diligence can neither be anticipated nor controlled (hereinafter referred to as "force majeure") to complete promptly and in good and workmanlike manner any building or improvements which may be constructed on the Property and promptly restore in like manner any of the Mortgaged Estate which may be damaged or destroyed, and to pay when due all lawful claims for labor performed and materials furnished therefor; to comply with all laws, ordinances, regulations, covenants, franchise agreements, licenses, conditions and restrictions now or hereafter affecting the Mortgaged Estate or any part thereof or requiring any alterations or improvements; not to commit or permit any waste or deterioration of the Mortgaged Estate; to keep and maintain the grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair; to comply with the provisions of the Lease; not to commit, suffer or permit any act to be done to, in or upon the Mortgaged Estate in violation of any law, ordinance or regulation and to operate and maintain any business located on the Property continuously in a first class manner consistent with other similar businesses similarly located.

1.03 Required Insurance. Mortgagor, at its expense, shall obtain and deliver to Lender policies of insurance in accordance with the terms of the Loan Documents.

1.04 Delivery of Policies, Payment of Premiums. At least thirty (30) days prior to the expiration of each such policy delivered to Lender pursuant to Section 1.03 above, Mortgagor shall furnish Lender with evidence satisfactory to Lender of the payment of premium and the reissuance of a policy continuing insurance in force as required by the Loan Documents. All such policies shall contain a provision that such policies will not be canceled or materially amended, which term shall include any reduction in the scope or limits of coverage, without at least thirty (30) days prior written notice to Lender. In the event Mortgagor fails to provide, maintain, keep in force or deliver and furnish to Lender the policies of insurance required by the Loan Documents, Lender may procure such insurance or single-interest insurance for such risks covering Lender's interest, and Mortgagor will pay all premiums thereon promptly upon demand by Lender, and until such payment is made by Mortgagor, the amount of all such premiums together with late charges in the amount, and interest thereon at the Default Rate shall be secured by this Mortgage. In the event of default by Mortgagor in the payment thereof, if required by Lender, Mortgagor shall deposit with Lender, in monthly installments, an amount equal to one-twelfth of the estimated aggregate annual insurance premiums on all policies of insurance required by the Loan Documents. Mortgagor further agrees, upon Lender's request, to cause all bills, statements or other documents relating to the foregoing insurance premiums to be sent or mailed directly to Lender. Upon receipt of such bills, statements or other documents, and provided Mortgagor has deposited sufficient funds with Lender pursuant to this Section 1.04, Lender shall pay such amounts as may be due thereunder out of the funds so deposited with Lender. If at any time and for any reason the funds deposited with Lender are or will be insufficient to pay such amounts as may then or subsequently be due, Lender shall notify Mortgagor and Mortgagor shall immediately deposit an amount equal to such deficiency with Lender. Notwithstanding the foregoing, nothing contained herein shall cause Lender to be deemed a trustee of said funds or to be obligated to pay any amounts in excess of the amounts deposited with Lender pursuant to this Section 1.04. Lender may commingle said reserve with its own funds and Mortgagor shall be entitled to no interest thereon.

1.05 Insurance Proceeds. That after the happening of any casualty to the Mortgaged Estate or any part thereof, Mortgagor shall give prompt written notice thereof to Lender.

a. In the event of any damage to or destruction of the Improvements, Mortgagor hereby authorizes Lender, at its option, to collect, adjust and compromise any losses under any of the insurance policies aforesaid (provided Lender in so adjusting and compromising any such losses acts in good faith and not in a manner which, under the circumstances, diminishes the recovery thereunder by an unreasonable amount). Provided that no Event of Default then exists and provided the proceeds of such insurance (together with any moneys which may be deposited by Mortgagor with Lender for the purpose of repair or restoration of the Mortgaged Estate promptly upon Mortgagor becoming aware of any deficiency between the amount of such insurance proceeds and the amount necessary to restore the Mortgaged Estate as hereinafter provided in this sentence) are sufficient to restore the Mortgaged Estate to the same or better condition as existed immediately prior to the loss, Lender shall disburse the proceeds of the insurance for the sole purpose of repairing and restoring the Mortgaged Estate, which repairs and

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restoration, shall, at the option of Lender, be under the supervision of an architect or engineer reasonably acceptable to Lender, be made pursuant to plans and specifications submitted to Lender prior to the commencement thereof, and which shall be subject to Lender's approval and which proceeds shall be disbursed by Lender from time to time only on certification by the architect or engineer that all of the work theretofore completed was done in compliance with the plans and specifications approved by Lender, that the sum requested is justly required to reimburse Mortgagor for payments by Mortgagor to Persons performing such work, that the amount of the remaining proceeds shall be sufficient to pay for the repairs and restoration remaining to be completed pursuant to the approved plans and specifications, and containing such other certifications, and subject to such other conditions, including but not limited to waivers of lien and title insurance coverage, as Lender in good faith deems necessary or appropriate. Any excess proceeds remaining after completion of restoration or repair shall be applied as a reduction upon all of the Obligations secured hereby, in such order as Lender may elect, with the balance of any proceeds remaining after the disposition of the proceeds as aforesaid to be paid to Mortgagor. Any proceeds retained by Lender pending completion of restoration or repair shall be deposited by Lender into an interest bearing account or invested in short term governmental obligations and all interest earned on such account or obligations shall be the property of and released to Mortgagor upon completion of such restoration or repair and reduction of all of the Obligations secured hereby. After the occurrence of and during the continuance of an Event of Default, or if any of the other conditions described herein to the proceeds being made available for restoration or repair are not met, the proceeds shall be applied as a reduction upon all of the Obligations secured hereby, in such order as Lender may elect, with the balance of any proceeds remaining after the disposition of the proceeds as aforesaid to be paid to Mortgagor. Upon acquisition of the Mortgaged Estate by Lender in the event of foreclosure of this Mortgage, or other transfer of title to the Mortgaged Estate in extinguishment of all or part of the Obligations secured hereby, all right, title and interest of Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee of said property.

b. Subject to Section 1.05a above, in the event of such loss or damage, all proceeds of insurance shall be payable to Lender, and Mortgagor hereby authorizes and directs any affected insurance company to make payment of such proceeds directly to Lender.

c. Except to the extent that insurance proceeds are received by Lender and applied as set forth in Section 1.05a hereof, nothing herein contained shall be deemed to excuse Mortgagor from repairing or maintaining the Mortgaged Estate as provided in Section 1.02 hereof or restoring all damage or destruction to the Mortgaged Estate, regardless of whether or not there are insurance proceeds available or whether any such proceeds are sufficient in amount, and the application or release by Lender of any insurance proceeds shall not cure or waive any default or notice of default under this Mortgage or invalidate any act done pursuant to such notice.

1.06 Assignment of Policies Upon Foreclosure. In the event of foreclosure of this Mortgage or other transfer of title or assignment of the Mortgaged Estate in extinguishment, in whole or in part, of the debt secured hereby, all right, title and interest of Mortgagor in and to all policies of insurance required by this Mortgage, including without limitation refunds of premiums thereon, shall inure to the benefit of and pass to the successor in interest to Mortgagor or the purchaser or grantee of the Mortgaged Estate.

1.07 Indemnification; Subrogation; Waiver of Offset.

a. If Lender is made a party defendant to any proceeding or litigation concerning this Mortgage or the Mortgaged Estate or any part thereof or interest therein, or the occupancy thereof by Mortgagor, then Mortgagor shall indemnify, defend and hold Lender and its respective members, owners, directors, parent companies, subsidiaries, shareholders, affiliates, officers, agents and employees (collectively, "Lender's Representatives") harmless from all liability by reason of said proceedings or litigation, including reasonable attorneys' fees and expenses incurred by Lender and/or Lender's Representatives in any such litigation, whether or not any such litigation is prosecuted to judgment. If Mortgagor breaches any term of this Mortgage, Lender may employ an attorney or attorneys to protect its rights hereunder, and in the event of such employment following any breach by Mortgagor, Mortgagor shall pay Lender, upon demand, reasonable attorneys' fees and expenses incurred by it, whether or not an action is actually commenced against Mortgagor by reason of breach.

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b. Mortgagor waives any and all rights to claim or recover against Lender, its officers, employees, agents and representatives, for loss of or damage to Mortgagor, the Mortgaged Estate, Mortgagor's property or the property of others under Mortgagor's control from any cause insured against or required to be insured against by the provisions of this Mortgage.

c. All sums payable by Mortgagor hereunder shall be paid without notice (subject to any applicable notice and right to cure provisions contained in the Loan Documents), demand, counterclaim, set off, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Mortgagor hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of (i) any damage to or destruction of or any condemnation or similar taking of the Mortgaged Estate or any part thereof; (ii) any restriction or prevention of or interference with any use of the Mortgaged Estate or any part thereof; (iii) any title defect or encumbrance or any eviction from the Property or the Improvements or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Lender, Mortgagor, or any action taken with respect to this Mortgage by any trustee or receiver of Lender, or by any court, in any such proceeding; (v) any claim which Mortgagor has or might have against Lender; (vi) any default or failure on the part of Lender to perform or comply with any of the terms hereof or of any other agreement with Mortgagor; or (vii) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not Mortgagor shall have notice or knowledge of any of the foregoing. Except as expressly provided herein and to the extent waivable by Mortgagor, Mortgagor waives all equitable rights, or those rights now or hereafter conferred by statute or otherwise, to any abatement, suspension, deferment, diminution or reduction of any sum secured hereby and payable by Mortgagor.

1.08 Taxes and Impositions.

a. Mortgagor agrees to pay, or cause to be paid, at least ten (10) days prior to delinquency, all real and personal property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, including without limitation non-governmental levies or assessments such as maintenance charges, owner association dues or charges or fees, levies or charges resulting from covenants, conditions and restrictions affecting the Mortgaged Estate, which are assessed or imposed upon the Mortgaged Estate, or become due and payable, and which create, or may reasonably create, a lien upon the Mortgaged Estate, or any part thereof, or upon any Personal Property, equipment and other facility used in the operation or maintenance thereof (all of which taxes, assessments and other governmental and nongovernmental charges of like nature are hereinafter referred to as "impositions"); provided, however, that if, by law, any such Imposition is payable, or may at the option of the taxpayer be paid, in installments, Mortgagor may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same become due and before any fine, penalty, interest or cost may be added thereto for the non-payment of any such installment and interest.

b. If at any time after the date hereof there shall be assessed or imposed (i) a tax or assessment on the Mortgaged Estate in lieu of or in addition to the Impositions payable by Mortgagor pursuant to subsection (a) hereof, or (ii) a license fee, tax or assessment imposed on Lender and measured by or based in whole or in part upon the amount of the outstanding Obligations, then all such taxes, assessments or fees shall be deemed to be included within the term "Impositions" as defined in subparagraph (a) hereof, and Mortgagor shall pay and discharge the same as herein provided with respect to the payment of Impositions failing which, at the option of Lender, all Obligations together with all accrued interest thereon, shall immediately become due and payable.

c. Subject to the provisions of subsection (d) hereof, Mortgagor covenants to furnish to Lender, within thirty (30) days after the date upon which any such Imposition is paid, official receipts of the appropriate taxing authority, or other proof satisfactory to Lender, evidencing the payments thereof.

d. Mortgagor shall have the right, before any delinquency occurs, to contest or object to the amount or validity of any such Impositions by appropriate legal proceedings; but this shall not be deemed or

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construed in any way as relieving, modifying or extending Mortgagor's covenant to pay any such Imposition at the time and in the manner provided in this Section 1.08, unless Mortgagor has given prior written notice to Lender of Mortgagor's intent to so contest or object to an Imposition, and unless, at Lender's sole option, (i) Mortgagor shall demonstrate to Lender's satisfaction that the legal proceedings shall conclusively operate to prevent the sale of the Mortgaged Estate, or any part thereof, to satisfy such Imposition prior to final determination of such proceedings; or (ii) Mortgagor shall furnish a good and sufficient bond or surety as requested by and satisfactory to Lender; or (iii) Mortgagor shall have provided a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of such proceedings.

e. Mortgagor covenants and agrees not to suffer, permit or to initiate the joint assessment of the real and personal property or any other procedure whereby the lien of the real property taxes and the lien of the personal property taxes shall be assessed, levied or charged to the Mortgaged Estate as a single lien.

1.09 Utilities. To pay or cause to be paid when due all utility charges which are incurred by Mortgagor for the benefit of the Mortgaged Estate or which may become a charge or lien against the Mortgaged Estate for gas, electricity, water or sewer services furnished to the Mortgaged Estate and all other assessments or charges of a similar nature, whether public or private, affecting the Mortgaged Estate or any portion thereof, whether or not such taxes, assessments or charges are liens thereon.

1.10 Lease. Mortgagor hereby represents that (i) except for the Lease, there are no leases, subleases or agreements to lease (as lessor or lessee) or sublease (as sublessor or sublessee) all of or any part of the Mortgaged Estate; (ii) the Lease is valid and enforceable, no default exists under the Lease, Mortgagor is entitled to receive all the Rents and to enjoy all the Rents and benefits mentioned herein and assigned hereby, and the same have not been sold, assigned, transferred or set over by any instrument now in force, and shall not at any time during the life of this Mortgage be sold, assigned, transferred or set over by Mortgagor or any other Person or Persons acting under or through Mortgagor, except pursuant to this Mortgage; and (iii) Mortgagor has the sole right to sell, assign, transfer, and set over the same and to grant and confer upon Lender the rights, interests, powers and authorities herein granted and conferred.

1.11 Actions Affecting Mortgaged Estate. To appear in and contest any action or proceeding purporting to affect the security hereof or the rights or powers of Lender; and to pay all costs and expenses, including cost of evidence of title and reasonable attorneys' fees, in any such action or proceeding in which Lender may appear.

1.12 Actions by Lender to Preserve Mortgaged Estate. That should Mortgagor fail to make any payment or to do any act as and in the manner provided in any of the Loan Documents, Lender, in its own reasonable judgment, without obligation so to do and without further notice to or demand upon Mortgagor and without releasing Mortgagor from any obligation, may make or do the same in such manner and to such extent as it may deem necessary to protect the security hereof. In connection therewith (without limiting its general powers), subject to applicable notice and right to cure provisions contained herein, Lender shall have and is hereby given the right, but not the obligation, (a) to enter upon and take possession of the Mortgaged Estate; (b) to make additions, alterations, repairs and improvements to the Mortgaged Estate which it may consider necessary or proper to keep the Mortgaged Estate in good condition and repair; (c) to appear and participate in any action or proceeding affecting or which may affect the security hereof or the rights or powers of Lender; (d) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in its judgment may affect the security of this Mortgage or be prior or superior hereto; and (e) in exercising such powers, to pay reasonable and necessary expenses, including employment of counsel or other necessary or desirable consultants. Mortgagor shall, immediately upon demand therefor by Lender, pay all reasonable costs and expenses incurred by such party in connection with the exercise by such party of the foregoing rights, including, without limitation, costs of evidence of title, court costs, appraisals, surveys and reasonable attorneys' fees.

1.13 Survival of Warranties. To fully and faithfully satisfy and perform the obligations of Mortgagor contained in the Loan Agreement, any of the other Loan Documents, and each agreement of Mortgagor incorporated by reference therein or herein, and any modification or amendment thereof. All representations, warranties and covenants of Mortgagor contained therein or herein, or incorporated by

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reference, shall survive the Note and shall remain continuing obligations, warranties and representations of Mortgagor during any time when any portion of the Obligations remain outstanding.

1.14 Eminent Domain. That should the Mortgaged Estate, or any part thereof or interest therein, be taken or damaged by reason of any public improvements or condemnation proceedings, or in any other manner ("Condemnation"), or should Mortgagor receive any notice or other information regarding such proceeding, Mortgagor shall give prompt written notice thereof to Lender.

a. Lender shall be entitled to all compensation, awards and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name any action or proceedings. Lender shall also be entitled to make such compromise or settlement in connection with such taking or damage. All such compensation, awards, damages, rights of action and proceeds awarded to Mortgagor (the "Proceeds") are hereby assigned to Lender and Mortgagor agrees to execute such further assignments of the Proceeds as Lender may require.

b. In the event any material portion (in excess of One Hundred Thousand and No/100 Dollars (\$100,000.00) in the aggregate over the life of the Obligations) of the Mortgaged Estate is so taken or damaged, Lender shall have the option, in its sole and absolute discretion, to apply all such Proceeds, after deducting therefrom all costs and expenses (regardless of the particular nature thereof and whether incurred with or without suit), including reasonable attorneys' fees, incurred by it in connection with such Proceeds, (i) to any indebtedness secured hereby and in such order as Lender may determine, or (ii) to apply all such Proceeds, after such deductions, to the restoration of the Mortgaged Estate upon such conditions as Lender may determine. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

1.15 Additional Security. That in the event Lender at any time holds additional security for any of the Obligations, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before or concurrently herewith or after a sale is made hereunder.

1.16 Americans With Disabilities Act ("ADA"). To comply in all respects, both now and in the future, with applicable provisions of the ADA, and any other Applicable Law dealing with public accommodations, and perform or provide such compliance review as Lender may reasonably request.

1.17 Successors and Assigns. That this Mortgage applies to, inures to the benefit of and binds all parties hereto and their successors and assigns.

1.18 Inspections. That Lender, its agents or representatives, after reasonable advance notice to Mortgagor, is authorized to enter during normal business hours upon or in any part of the Mortgaged Estate for the purpose of inspecting the same and for the purpose of performing any of the acts it is authorized to perform under the terms of the Loan Documents.

1.19 Liens. To pay and promptly discharge or bond over in accordance with Applicable Law, at Mortgagor's cost and expense, all liens, encumbrances and charges (other than the Permitted Exceptions) upon the Mortgaged Estate, or any part thereof or interest therein. Mortgagor shall have the right to contest in good faith the validity of any such lien, encumbrance or charge, provided Mortgagor shall first post as provided by law a bond or other security satisfactory to Lender in such amounts as Lender shall reasonably require, not exceeding amounts required by pertinent bonding off statutes, plus costs, expenses, including attorneys' fees, and interest, and provided further that, if suit to foreclose is filed, Mortgagor shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged, or bonded over in accordance with Applicable Law. If Mortgagor shall fail to discharge any such lien, encumbrance or charge, or provide such reasonable security, then, in addition to any other right or remedy of Lender, Lender may, but shall not be obligated to, discharge the same, either by paying the amount claimed to be due, or by procuring the discharge of such lien by depositing in court a bond for the amount claimed or otherwise giving security for such claim, or in such manner as is or may be prescribed by law.

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1.20 Lender's Powers. At any time, or from time to time, without liability therefor and without notice, and without affecting the personal liability of any Person for payment of the indebtedness secured hereby or the effect of this Mortgage upon the remainder of said Mortgaged Estate, Lender may (a) release any part of said Mortgaged Estate, (b) consent in writing to the recording of any map or plat thereof, (c) join in granting any easement thereon, or (d) join in any extension agreement or any agreement subordinating the lien or charge hereof.

1.21 Additional Lender's Powers. Without affecting the liability of any other Person liable for the payment of any obligation herein mentioned, and without affecting the lien or charge of this Mortgage upon any portion of the Mortgaged Estate not then or heretofore released as security for the full amount of all unpaid Obligations, Lender may, from time to time and without notice: (a) release any Person so liable; (b) extend the maturity or alter any of the terms of any such obligation; (c) grant other indulgences; (d) release, or cause to be released at any time at Lender's option any parcel, portion or all of the Mortgaged Estate; (e) take or release any other or additional security for any Obligations herein mentioned; (f) make compositions or other arrangements with debtors in relation thereto; or (g) advance additional funds to protect the security hereof and pay or discharge the Obligations of Mortgagor hereunder or under the Loan Documents, and all amounts so advanced, with interest thereon at the highest interest rate set forth in the Note, shall be secured hereby.

ARTICLE II ASSIGNMENT OF RENTS AND LEASES, ISSUES AND PROFITS

Mortgagor represents and warrants that, with respect to the Property, Mortgagor agrees to perform the following:

2.01 Assignment of Rents and Leases. Mortgagor hereby assigns and transfers to Lender all of its right, title and interest in and to the Lease and the Rents of the Mortgaged Estate, and hereby gives to and confers upon Lender the right, power and authority to collect such Rents. Mortgagor irrevocably appoints Lender its true and lawful attorney-in-fact, at the option of Lender, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of such Mortgagor or Lender, for all such Rents and apply the same to the indebtedness secured hereby; provided, however, that Mortgagor shall have the right to collect, use and enjoy such Rents (but not more than one month in advance) at any time an Event of Default has not occurred and continued beyond any applicable notice and cure period under any of the Loan Documents. The assignment of Rents of the Mortgaged Estate in this Article II is intended to be an absolute assignment from Mortgagor to Lender and not merely the passing of a security interest. The Rents are hereby assigned absolutely by Mortgagor to Lender contingent only upon the occurrence and continuance beyond any applicable notice and cure period of an Event of Default under any of the Loan Documents.

2.02 Collection Upon Default. Upon the occurrence and continuance beyond any applicable notice and cure period of any Event of Default under the Loan Documents, Lender may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Mortgaged Estate, or any part thereof, in its own name sue for or otherwise collect such Rents, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any indebtedness secured hereby, and in such order as Lender may determine. The collection of such Rents, or the entering upon and taking possession of the Mortgaged Estate, or the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder, or invalidate any act done in response to such default or pursuant to such notice of default.

2.03 Limitation of Liability. The Lender shall not be liable for any loss sustained by Mortgagor resulting from any act or omission of the Lender or from managing the Mortgaged Estate unless such loss is caused by the willful misconduct or gross negligence of the Lender. The Lender shall not be obligated to perform or discharge, nor does the Lender hereby undertake to perform or discharge, any obligation, duty or liability under the Lease or under or by reason of this Mortgage, and Mortgagor shall, and does hereby agree, to indemnify the Lender for, and to hold the Lender harmless from, any and all liability, loss or damage which

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may or might be incurred under the Lease or under or by any reason of this Mortgage, and from any and all claims and demands whatsoever which may be asserted against the Lender by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants, or agreements contained in the Lease. Should the Lender incur any such liability under the Lease or under or by reason of this Mortgage or in defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees shall be secured hereby and Mortgagor shall reimburse the Lender therefor immediately upon demand, and upon the failure of Mortgagor to do so, the Lender may, at its option, declare the Obligations immediately due and payable. This Mortgage shall not operate to place responsibility for the control, care, management or repair of the Mortgaged Estate or any portion thereof upon the Lender, nor for the carrying out of any of the terms and conditions of the Lease; nor shall it operate to make the Lender responsible or liable for any waste committed on the Mortgaged Estate by any parties, or for any dangerous or defective condition of the Mortgaged Estate or any portion thereof or for any negligence of Mortgagor or its agents in the management, upkeep, repair or control of the Mortgaged Estate or any portion thereof resulting in loss or injury or death to any tenant, licensee, employee or stranger.

2.04 Tenants. All tenants or occupants of any part of the Mortgaged Estate (including without limitation, all Persons claiming any interest as lessor or lessee under the Lease) are hereby authorized to recognize the claims and demands of Lender without investigation as to the reason for any action taken by Lender or the validity or the amount of indebtedness owing to or the existence of any default hereunder or under the Loan Documents, or the application to be made by Lender, of any amounts to be paid to Lender. Lender's sole signature shall be sufficient for the exercise of any right under this Mortgage and Lender's sole receipt given for any sums received shall be a full discharge and release therefor to any such tenant or occupant of the Mortgaged Estate. Checks for all or any part of the rental collected under this Mortgage shall be made to the exclusive order of Lender.

2.05 Further Assurances. Mortgagor shall from time to time execute any and all instruments reasonably requested by Lender in order to effectuate this Mortgage and to accomplish any of the purposes that are necessary or appropriate in connection with this assignment of the leases of the Mortgaged Estate, including without limitation, specific assignments of the Lease or agreement relating to the use and occupancy of the Mortgaged Estate or to any part thereof now or hereafter in effect, as may be necessary or desirable in Lender's opinion in order to further secure Lender hereunder.

ARTICLE III SECURITY AGREEMENT; FIXTURE FILING

3.01 Creation of Security Interest. Mortgagor hereby grants to Lender a security interest in all right, title, and interest of Mortgagor in its Personal Property located on or at the Mortgaged Estate, including without limitation the Personal Property described on **Exhibit B** attached hereto, and any and all property of similar type or kind owned by Mortgagor and hereafter located on or at the Mortgaged Estate, or related thereto, for the purpose of securing all of the Obligations.

3.02 Warranties, Representations and Covenants of Mortgagor. Mortgagor hereby warrants, represents and covenants as follows:

a. Except for the security interest granted hereby, Mortgagor is, and as to portions of the Personal Property to be acquired after the date hereof will be, the sole owner of the Personal Property, free from any adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever, subject to the Permitted Exceptions. Mortgagor shall notify Lender of, and will defend the Personal Property against, all claims and demands of all Persons at any time claiming the same or any interest therein.

b. Except in accordance with the terms of the Loan Documents, Mortgagor will not lease, sell, convey or in any manner transfer the Personal Property without the prior written consent of Lender, which consent shall not be unreasonably withheld, provided, however, Mortgagor may sell or otherwise transfer any of the Personal Property in the ordinary course of the Mortgagor's business provided the total value of the Personal Property is not materially diminished.

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- c. The Personal Property is not used or bought for personal, family or household purposes.
- d. The Personal Property will be kept on or at the Mortgagor's job sites or on the Mortgaged Estate and Mortgagor will not remove the Personal Property from the Mortgaged Estate without the prior written consent of Lender, which consent shall not be unreasonably withheld, except such portions or items of Personal Property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor with new items of equal or greater quality.
- e. At the request of Lender, Mortgagor will join Lender in executing one or more financing statements and renewals and amendments thereof pursuant to the Uniform Commercial Code in form satisfactory to Lender, and Mortgagor will pay the cost of filing the same in all public offices wherever filing is deemed by Lender to be necessary or desirable.
- f. All covenants and obligations of Mortgagor contained herein relating to the Mortgaged Estate shall be deemed to apply to the Personal Property whether or not expressly referred to herein.
- g. Mortgagor will maintain its principal place of business in the Commonwealth of Kentucky and will immediately notify Lender in writing of any change in its principal place of business as set forth in Section 5.06 of this Mortgage.

This Mortgage constitutes a Security Agreement as that term is used in the Uniform Commercial Code of the state where the Mortgaged Estate is located. In addition, it is intended that as to fixtures that are or are to become part of the Mortgaged Estate, this Mortgage shall be effective as a financing statement filed as a fixture filing from the date of filing of this Mortgage in the real property records or other appropriate index of the county where the Mortgaged Estate is located. The "Secured Party" is the Lender and the "Debtor" is the Mortgagor, and their respective addresses are set forth in the first paragraph of this Mortgage above.

ARTICLE IV DEFAULT

4.01 Events of Default. Any of the following events shall be deemed an Event of Default hereunder:

- a. Mortgagor shall file a voluntary petition in bankruptcy or shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Mortgagor, or of all or any part of the Mortgaged Estate, or of any or all of the Rents thereof, or shall make any general assignment for the benefit of creditors, or shall admit in writing any inability to pay their debts generally as they become due; or
- b. A court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Mortgagor seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree shall remain unvacated and unstayed for an aggregate of sixty (60) days (whether or not consecutive) from the first date of entry thereof, or any trustee, receiver or liquidator of Mortgagor, or of all or any part of the Mortgaged Estate, or of any or all of the Rents thereof, shall be appointed without the consent or acquiescence of Mortgagor and such appointment shall remain unvacated and unstayed for an aggregate of sixty (60) days (whether or not consecutive); or
- c. A writ of execution or attachment or any similar process shall be issued or levied against all or any part of or interest in the Mortgaged Estate, or any judgment involving monetary damages shall be entered against Mortgagor which shall become a lien on the Mortgaged Estate or any portion thereof or interest therein and such execution, attachment or similar process or judgment is not released, bonded, satisfied, vacated or stayed within sixty (60) days after its entry or levy; or

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d. There has occurred a breach of or default by Mortgagor under any other term, covenant, agreement, condition, provision, representation or warranty contained in any of the Loan documents or any part thereof, subject to any applicable notice and cure provision contained in the Loan Documents, or any other Event of Default as defined in the Loan Agreement occurs.

4.02 Acceleration Upon Event of Default; Additional Remedies. During the continuance of an Event of Default, Lender may declare all indebtedness secured hereby to be due and payable and the same shall thereupon become due and payable without any presentment, demand, protest or further notice of any kind. Thereafter Lender may:

a. Either in person or by agent, with or without bringing any action or proceedings, or by a receiver appointed by a court and without regard to the adequacy of its security, enter upon and take possession of the Mortgaged Estate, or any part thereof, in its own name and do any acts which it deems necessary or desirable to preserve the value, marketability, or rentability of the Mortgaged Estate, or any part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Mortgaged Estate, sue for or otherwise collect the Rents thereof, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including reasonable attorneys' fees, upon any indebtedness secured hereby, all in such order as Lender may determine. The entering upon and taking possession of the Mortgaged Estate, the collection of such Rents and the application thereof as aforesaid shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of the Mortgaged Estate or the collection, receipt and application of Rents, Lender shall be entitled to exercise every right provided for in any of the Loan Documents or by law upon occurrence of any Event of Default, including the right to exercise the power of sale as authorized by law;

b. Commence an action to foreclose this Mortgage, in the manner authorized by law, appoint a receiver, or specifically enforce any of the covenants hereof;

c. Exercise any or all of the remedies available to a secured party under the Uniform Commercial Code, including, but not limited to:

i. Either personally or by means of a court appointed receiver, take possession of all or any of the Personal Property and exclude therefrom Mortgagor and all others claiming under Mortgagor and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of Mortgagor in respect to the Personal Property or any part thereof. In the event Lender demands or attempts to take possession of the Personal Property in the exercise of any rights under any of the Loan Documents, Mortgagor promises and agrees to promptly turn over and deliver complete possession thereof to Lender;

ii. Without further notice to or demand upon Mortgagor, make such payments and do such acts as Lender may deem necessary to protect its security interest in the Personal Property, including without limitation, paying, purchasing, contesting or compromising any encumbrance, charge or lien which is prior to or superior to the security interest granted hereunder, and in exercising any such powers or authority to pay all expenses incurred in connection therewith;

iii. Require Mortgagor to assemble the Personal Property or any portion thereof, at a place designated by Lender and reasonably convenient to both parties, and promptly deliver such Personal Property to Lender, or an agent or representative designated by them. Lender, and its agents and representatives, shall have the right to enter upon any or all of the Mortgagor's premises and property to exercise Lender's rights hereunder;

iv. Sell, lease, or otherwise dispose of the Personal Property, at public sale, with or without having the Personal Property at the place of sale, and upon such commercially reasonable terms and in such manner as Lender may determine in accordance with any remedies allowable under applicable provisions of the Uniform Commercial Code, and Lender may be a purchaser at any such sale; and

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v. Unless the Personal Property is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender shall give Mortgagor at least ten (10) days prior written notice of the time and place of any public sale of the Personal Property or other intended disposition thereof. Such notice may be mailed to Mortgagor in the manner and at the address set forth in Section 5.06 of this Mortgage.

d. At the election of Lender, Lender may sell the Personal Property concurrently with and in conjunction with a foreclosure sale of the Mortgaged Estate. Mortgagor stipulates and agrees that a sale of the Personal Property in conjunction with the Mortgaged Estate is a commercially reasonable manner of disposing of the Personal Property. Alternatively, Lender may sell or otherwise dispose of the Personal Property separately and apart from the Mortgaged Estate in the time and manner provided by the Uniform Commercial Code.

4.03 Sale. Any sale or sales made by virtue of or under this Mortgage, shall, to the fullest extent permitted by law, operate to divest all right, title, estate, interest, claim, and demand whatsoever, either at law or in equity, of Mortgagor in and to the Mortgaged Estate so sold, or any part thereof from, through or under Mortgagor, its successors and assigns.

Upon any sale hereunder, the Lender or any assignee of the Lender's rights under the Loan Documents may bid for and purchase the Mortgaged Estate or any part thereof.

After deducting all reasonable costs, fees and expenses of Lender, including cost of evidence of title in connection with sale, Lender shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then paid, with accrued interest at the interest rate set forth in the Note and all other sums secured hereby, and the remainder, if any, to the Person or Persons legally entitled thereto.

4.04 Appointment of Receiver. Lender, as a matter of right and without notice to Mortgagor or anyone claiming under Mortgagor, and without regard to the true value of the Mortgaged Estate or the interest of Mortgagor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Mortgaged Estate, and Mortgagor hereby irrevocably consents to such appointment and waives notice of any application thereof. Any such receiver or receivers shall have the usual powers and duties of receivers in like or similar cases and all the powers and duties of Lender in case of entry as provided in Section 4.02a and shall continue as such and exercise all such powers until the date of confirmation of the sale of the Mortgaged Estate unless such receivership is sooner terminated.

4.05 Fees and Expenses in Default or Foreclosure. During the continuance of any Event of Default or in case of foreclosure of this Mortgage in any court of law or equity whether or not any order or decree shall have been entered therein, and to the extent permitted by law, a reasonable sum shall be allowed for stenographers' fees and for all moneys expended for documentary evidence and the cost of a complete abstract of title and title report for the purpose of such foreclosure, such sums to be secured by the Lien of this Mortgage, and to the extent permitted by law, there shall be included in any judgment or decree foreclosing this Mortgage and paid out of said Rents from the Mortgaged Estate and the proceeds of any sale made in pursuance of any such judgment or decree: (a) all costs and expenses of such suit or suits, appraisals, advertising, sale and conveyance, including stenographers' fees, outlays for documentary evidence and the cost of said abstract, examination of title and title report; (b) reasonable fees of legal counsel to Lender, to the fullest extent permitted by law; (c) all moneys advanced by Lender, if any, for any purposes authorized in this Mortgage, with interest as herein provided; (d) all the accrued interest remaining unpaid on the Obligations hereby secured; and (e) all the principal of the Obligations remaining unpaid. The surplus of the proceeds, if any, shall be paid to Mortgagor promptly after request by Mortgagor, or as the court may direct. The attorneys' fees, costs and expenses set forth above, costs of taking, holding, preparing for sale and sale of the Mortgaged Estate or any part thereof, and any other costs and expenses for which Mortgagor may be responsible pursuant to this Mortgage, include, but are not limited to, those incurred prior to, during and after litigation in both trial and appellate courts, and all obligations of Mortgagor under this Mortgage shall survive the payment of the Note and any release of this Mortgage.

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4.06 Remedies Not Exclusive. Lender shall be entitled to enforce payment and performance of the Obligations and to exercise all rights and powers under this Mortgage or under any other Loan Documents or other agreement or any laws now or hereafter in force, notwithstanding some or all of the said Obligations may now or hereafter be otherwise secured, whether by mortgage, deed of trust, security interest, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Lender's right to realize upon or enforce any other security now or hereafter held by Lender, it being agreed that Lender shall be entitled to enforce this Mortgage and any other security now or hereafter held by Lender in such order and manner as it in its absolute discretion determines. No remedy herein conferred upon or reserved to Lender is intended to be exclusive of any other remedy herein or by law provided or permitted, but each 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. Every power or remedy given by any of the Loan Documents to Lender may be exercised, concurrently and independently, from time to time and as often as may be deemed expedient by Lender and Lender may pursue inconsistent remedies.

ARTICLE V MISCELLANEOUS

5.01 Governing Law. This Mortgage shall be governed by the laws of the state where the Mortgaged Estate is located. In the event that any provision or clause of any of the Loan Documents conflicts with Applicable Laws, such conflicts shall not affect other provisions of such Loan Documents which can be given effect without the conflicting provision, and to this end the provisions of the Loan Documents are declared to be severable. This Mortgage cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought. Notwithstanding the fact that this Mortgage shall be governed by the laws of the state where the Mortgaged Estate is located, the Note evidences obligations made in the Commonwealth of Kentucky and shall be governed by the laws of the Commonwealth of Kentucky. Notwithstanding anything contained herein to the contrary: (a) the laws of the State of Illinois shall govern the creation and priority of liens upon and security interests in the Mortgaged Estate located in the State of Illinois, and the procedures regarding the enforcement by Lender of its foreclosure and other remedies with respect thereto, including, by way of example, judicial or non-judicial foreclosure proceedings or the appointment of a receiver; and (b) provisions of the law of the State of Illinois shall apply in defining the legal requirements (including environmental laws, rules and regulations) applicable to the Mortgaged Estate.

5.02 Mortgagor's Waiver of Rights. Mortgagor waives the benefit of all laws now existing or that hereafter may be enacted provided for (a) any appraisal before the sale of any portion of the Mortgaged Estate, and (b) in any way extending the time for the enforcement of the collection of the Obligations or creating or extending a period of redemption from any sale made in collecting said debt. To the full extent Mortgagor may do so, Mortgagor agrees that Mortgagor will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay, extension or redemption, and Mortgagor, for Mortgagor, Mortgagor's representatives, successors and assigns, and for any and all Persons claiming any interest in the Mortgaged Estate, to the extent permitted by law, hereby waives and releases all rights of redemption, either statutory or equitable, valuation, appraisal, stay of execution, notice of election to mature or declare due the whole of the secured indebtedness and marshaling in the event of foreclosure of the liens hereby created. If any law referred to in this Section and now in force, of which Mortgagor, Mortgagor's representatives, successors and assigns or other Person might take advantage despite this Section shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this Section. Mortgagor expressly waives and relinquishes any and all rights and remedies which Mortgagor may have or be able to assert by reason of the laws of the state where the Mortgaged Estate is located pertaining to the rights and remedies of sureties.

5.03 Limitation of Interest. It is the intent of Mortgagor and Lender in the execution of this Mortgage, the Loan Documents and all other instruments securing the Obligations to contract in strict compliance with the

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usury laws of the Commonwealth of Kentucky governing the Obligations. In furtherance thereof, Lender and Mortgagor stipulate and agree that none of the terms and provisions contained in the Loan Documents shall ever be construed to create a contract for the use, forbearance or detention of money requiring payment of interest at a rate in excess of the maximum interest rate permitted to be charged by the Applicable Laws of the Commonwealth of Kentucky governing the Obligations. Mortgagor or any guarantor, endorser or other party now or hereafter becoming liable for the payment of Obligations shall never be liable for unearned interest on the sums due thereunder and shall never be required to pay interest under the Loan Documents at a rate in excess of the maximum interest that may be lawfully charged under the Applicable Laws of the Commonwealth of Kentucky and the provisions of this Section shall control over all other provisions of the Loan Documents and any other instrument executed in connection herewith which may be in apparent conflict herewith. In the event the Lender or any assignee of the Lender's rights under the Loan Documents shall collect monies which are deemed to constitute interest which would otherwise increase the effective interest rate on the Obligations to a rate in excess of that permitted to be charged by the Applicable Laws of the Commonwealth of Kentucky all such sums deemed to constitute interest in excess of the maximum permissible rate shall be immediately returned to Mortgagor upon such determination.

5.04 Statements by Mortgagor. Mortgagor, within ten (10) days after being given notice by mail, shall furnish to Lender a written statement stating the unpaid principal of and interest on the Obligations and any other amounts secured by this Mortgage and stating whether any offset or defense exists against such principal and interest.

5.05 Release. Upon full payment of all sums secured hereby and the termination and surrender to the Lender of the Loan Documents, Lender shall return all Loan Documents to Borrower and shall release the lien of this Mortgage by executing a full release of lien in recordable form and delivering it to Mortgagor. The release shall be hand delivered or mailed in the manner and to the address set forth in Section 5.06 hereof. The recitals in such release of any matters or facts shall be conclusive proof of the truthfulness thereof.

5.06 Notices. Whenever Lender or Mortgagor shall desire, or are required, to give or serve any notice, demand, request or other communication with respect to this Mortgage, each such notice, demand, request or other communication shall be given in the manner set forth in the Loan Agreement.

5.07 Lender. The term "Lender" shall be deemed to include the obligees under the Loan Documents, from time to time, whether or not named as Lender herein.

5.08 Captions. The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Mortgage.

5.09 Invalidity of Certain Provisions. If the lien of this Mortgage is invalid or unenforceable as to any part of the debt, or if the lien is invalid or unenforceable as to any part of the Mortgaged Estate, the unsecured or partially secured portion of the debt shall be completely paid prior to the payment of the remaining and secured or partially secured portion of the debt, and all payments made on the debt, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the debt which is not secured or fully secured by the lien of this Mortgage.

5.10 Non-Waiver. The acceptance by Lender of any sum after the same is due shall not constitute a waiver of the right either to require prompt payment, when due, of all other sums hereby accrued or to declare a default as herein provided. The acceptance by Lender of any sum in an amount less than the sum then due shall be deemed an acceptance on account only and upon condition that it shall not constitute a waiver of the obligation of Mortgagor to pay the entire sum then due, and Mortgagor's failure to pay said entire sum shall be and continue to be a default notwithstanding such acceptance of such amount on account, as aforesaid, and Lender shall be at all times thereafter and until the entire sum then due shall have been paid, and notwithstanding the acceptance by Lender thereafter of further sums on account, or otherwise, entitled to exercise all rights in this instrument conferred upon it, upon the occurrence of a default,

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and the right to proceed with a sale under any notice of default, and election to sell, shall in no way be impaired, whether any of such amounts are received prior or subsequent to such notice. Consent by Lender to any transaction or action of Mortgagor which is subject to consent or approval of Lender hereunder shall not be deemed a waiver of right to require such consent or approval to future or successive transactions or actions.

5.11 **Due on Sale Consent by Lender.** Lender may, at its option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer without the Lender's prior written consent of all or any part of the Mortgaged Estate or any interest therein. A "sale or transfer" means the conveyance of the Mortgaged Estate or any right, title or interest therein, whether legal, beneficial or equitable, whether voluntary or involuntary, whether by outright sale, deed, installment sale contract, land contract, contract for deed, lease option contract, or by sale, assignment or transfer of any beneficial interest in or to any land trust holding title to the Mortgaged Estate, or by any other method of conveyance of real property. If Mortgagor is a corporation (unless its stock is publicly traded) partnership, or limited liability company, "sale or transfer" also includes any transfer of ownership in Mortgagor, whether by merger, purchase of membership interest, purchase of stock, purchase of assets or otherwise, without the prior written consent of Lender. However, this right shall not be exercised by Lender if it is prohibited by federal or state law.

5.12 **Hazardous Materials** Mortgagor shall comply with all terms, covenants and conditions set forth in the Environmental Indemnity Agreement related to compliance with Environmental Laws applicable to the Mortgaged Estate, including, without limitation, with respect to Hazardous Substances (as defined in the Environmental Indemnity Agreement).

5.13 **Warranty of Non-Foreign Borrower.** Mortgagor represents and warrants to Lender that Mortgagor is not a "foreign person" within the meaning of the Internal Revenue Code of 1986 (the "Code"), 26 U.S.C. §§1445, 7701, that is, is not either a non resident alien, foreign corporation, foreign partnership, foreign trust or foreign estate as those terms are defined in the Code and regulations promulgated thereunder. Mortgagor hereby agrees to indemnify Lender and hold Lender free and harmless from and against all loss, cost, damage and expenses (including, without limitation, attorneys' fees and costs) Lender may sustain as a result of a breach of the foregoing representation and warranty. The foregoing indemnification shall survive repayment of the Obligations and release or assignment of this Mortgage.

5.14 **Construction Provision.** In the event any of the proceeds from the Notes or any other Loan Documents are to be used for the purpose of erecting a building or buildings on or otherwise improving the Mortgaged Estate, the parties hereto agree that, if construction of such improvements should cease or such construction be so slow that for all intents and purposes the construction may be said to have ceased (the determination of whether or not construction has ceased shall rest entirely with the Lender in its reasonable determination) the Lender may, at its option, enter into and upon the Mortgaged Estate and complete the construction of said improvements. Mortgagor does hereby grant unto the Lender full power and authority to make such entry upon the Mortgaged Estate and to enter into such contracts as the Lender may reasonably believe necessary or appropriate to complete such improvements; and the funds expended by the Lender in connection with such completion of construction shall be added to the principal amount that has been advanced under the terms of the Notes and shall be secured by the Mortgaged Estate and be payable by Mortgagor on demand together with interest at the Default Rate.

5.15 **Construction.** In this Mortgage, the word "person" includes any individual, company, trust or other legal entity of any kind. If this Mortgage is executed by more than one person, the words "Mortgagor" include all such persons. The word "include(s)" means "include(s), without limitation," and the word "including" means "including, but not limited to." When the context and construction so require, all words used in the singular shall be deemed to have been used in the plural and vice versa.

5.16 **JURY WAIVER. IN RECOGNITION OF THE HIGHER COSTS AND DELAY WHICH MAY RESULT FROM A JURY TRIAL, THE PARTIES HERETO WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (a) ARISING HEREUNDER OR IN CONNECTION WITH THE OBLIGATIONS, OR (b) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT**

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HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

5.17 Conflict. The parties intend that the terms of this Mortgage be interpreted and applied consistently with any similar terms, conditions and provisions of the Loan Agreement or other related Loan Documents. As a result, where the terms of such instruments differ or are in conflict, with the terms, conditions and provisions of the Loan Agreement or other Loan Document, as the case may be, then the terms, conditions and provisions of the Loan Agreement shall prevail and be controlling over any such conflicting or inconsistent terms of this Mortgage.

5.18 Illinois State-Specific Provisions.

a. Compliance with Illinois Mortgage Foreclosure Law.

i. If any provision in this Mortgage shall be inconsistent with any provision of the Illinois Mortgage Foreclosure (Chapter 735, Sections 5/15-1101 et seq., Illinois Compiled Statutes) (as may be amended from time to time, the "Act"), provisions of the Act shall take precedence over the provisions of this Mortgage but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act.

ii. If any provision of this Mortgage shall grant to Lender (including Lender acting as a mortgagee-in-possession) or a receiver appointed in the provisions of Section 4.04 of this Mortgage 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 Lender or in such receiver under the Act in the absence of said provision, Lender and such receiver shall be vested with the powers, rights and remedies granted in the Act to the full extent permitted by Applicable Law.

iii. Without limiting the generality of the foregoing, all expenses incurred by Lender 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 in this Mortgage, shall be added to the Obligations and/or by the judgment of foreclosure.

[Signature Page Immediately Follows]

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

FOUNDERS ASSET MANAGEMENT, LLC
a Kentucky limited liability company

By: Crosby Hall
Crosby Hall, as President

STATE OF Kentucky
COUNTY OF Jefferson

Before me, the undersigned Notary Public in the state and county aforesaid, personally appeared Crosby Hall, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who acknowledged before me that they executed the foregoing instrument as President of Founders Asset Management, LLC, a Kentucky limited liability company, for the purposes therein contained by signing his name for and on behalf of said limited liability company.

WITNESS my hand and official seal at office this 29 day of August, 2023.

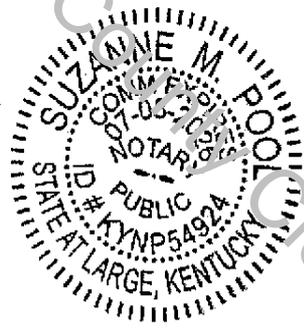
Suzanne M Pool
NOTARY PUBLIC
Notary Printed Name: Suzanne M Pool
Notary No.: KYNP 54924
My commission expires: 7-8-2026
(SEAL)

AFTER RECORDING RETURN TO:

Stoll Keenon Ogden PLLC
500 W. Jefferson Street, Suite 2000
Louisville, Kentucky 40202
Attention: Jamie S. Brodsky

This instrument prepared by:

Stoll Keenon Ogden PLLC
500 W. Jefferson Street, Suite 2000
Louisville, Kentucky 40202
Attention: Jamie S. Brodsky



Clerk's Office

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CHICAGO TITLE
COMPANY

EXHIBIT A

Order No.: 23GND676018LZ

For APN/Parcel ID(s): 08-27-203-006-0000

LOT 149 IN HIGGIN'S INDUSTRIAL PARK UNIT 102, BEING A SUBDIVISION IN THE NORTH EAST 1/4 OF SECTION 27, TOWNSHIP 41 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 14, 1972 AS DOCUMENT 22157723 IN COOK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office

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EXHIBIT B

- (a) All heating, plumbing, lighting, water heating, incinerating, ventilating and air conditioning equipment, swimming pool equipment, shades, awnings, blinds, drapes and draperies, linoleum, rugs and carpeting, all furniture, furnishings, machinery, equipment, and fixtures (whether or not so attached to the realty as to become a part thereof) and all other tangible personal property of every kind and character owned by Mortgagor now or at any time hereafter located in or on the Property or the buildings and improvements on the Property described in Exhibit "A" attached hereto, together with all substitutions, additions, and accessions to any and all of the foregoing, and exchanges and replacements of any and all of the foregoing;
- (b) All building materials owned by Mortgagor now or hereafter located on the Property, prior to incorporation of said building materials in the improvements on the Property;
- (c) All plans and specifications owned by Mortgagor related to the Property and any and all improvements now existing or hereafter to be constructed on the Property;
- (d) All room rents, rents, incomes, profits, revenues, royalties, bonuses, rights, accounts, accounts receivable, contract rights, general intangibles, and benefits, relating to the Property, and whether arising under any and all leases or tenancies now existing or hereafter created on the Property described in Exhibit "A" or otherwise, and any Improvements thereon, or any part thereof;
- (e) All leases and subleases covering the Property described in Exhibit "A" or any portion thereof now or hereafter existing or entered into, and all rights and interests thereunder, including without limitation, all cash or security deposits, advance rentals, guarantees and deposits or similar nature;
- (f) All judgments, awards of damages, and settlements hereafter made to Mortgagor as a result of or in lieu of any taking of the Property and improvements, or any part thereof or interest therein under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Property or the Improvements thereon or any part thereof or interest therein, including any award for change of grade of streets;
- (g) All proceeds of hazard or other insurance policies payable to Mortgagor maintained with respect to any collateral described in subparagraphs (a) and (b) above or with respect to the Improvements now or hereafter located on the Property; and
- (h) All proceeds of any and all of the foregoing collateral. Although proceeds are covered, Lender does not authorize the sale or other transfer of any of the collateral or the transfer of any interest in the collateral, except as specifically authorized in the Loan Agreement or the other Loan Documents.