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PREPARED BY AND AFTER
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Cook County Recorder 101.00



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FOR RECORDERS USE ONLY

8024365-02-Trus (MTB)

FIRST MORTGAGE AND SECURITY AGREEMENT

THIS FIRST MORTGAGE AND SECURITY AGREEMENT made as of the 1st day of June, 2002 from LASALLE BANK NATIONAL ASSOCIATION, not personally but solely as Successor Trustee pursuant to Trust Agreement dated June 18, 1973 and known as Trust No. 46073 (the "Mortgagor") to AMERICAN FIDELITY ASSURANCE COMPANY, an Oklahoma corporation (the "Mortgagee").

WITNESSETH:

WHEREAS, Mortgagor is indebted to Mortgagee for money borrowed in the principal sum of SIX HUNDRED THOUSAND DOLLARS (\$600,000.00) (the "Principal Amount") evidenced by a promissory note, hereinafter designated as the "Note", dated of even date herewith, payable to the order of Mortgagee at the address specified in the Note, in the Principal Amount, duly delivered to Mortgagee and drawing interest on the unpaid balance of the Principal Amount from date of disbursement until maturity at the rate set forth in Note, the principal and interest being payable in installments as set forth in Note, with the Principal Amount and accrued interest due and payable on the fifteenth (15th) day of July, 2017 (the "Maturity Date"), as will more fully appear by reference to the Note.

GRANTING CLAUSES

NOW, THEREFORE, to secure the payment of the Principal Amount, interest and premium, if any, payable under the Note, and to secure payment of all other sums which may be at any time due and owing to the Mortgagee or its successors and assigns under this Mortgage (herein referred to collectively as the "Indebtedness Hereby Secured"); and to secure the performance and observance of all the covenants, agreements and provisions contained in the Note, this Mortgage and the Other Loan Documents (as defined in the Note) and to charge the

Address of Property: 420 Academy Drive, Northbrook, Illinois
Permanent Index No.: 04-05-301-007 and 04-05-301-009

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properties, interests and rights hereinafter described with such payment, performance and observance, and for other valuable considerations, the receipt and sufficiency of which is hereby acknowledged, the Mortgagor has mortgaged, granted, bargained, sold, conveyed, assigned, transferred, pledged and set over and DOES HEREBY MORTGAGE, GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, PLEDGE AND SET OVER unto the Mortgagee, its successors and assigns forever, the following described properties, rights and interests (herein collectively referred to as the "Mortgaged Property"):

GRANTING CLAUSE FIRST:

THE LAND located in Cook County, Illinois which is legally described on Exhibit "A" attached hereto and made a part hereof (the "Land");

GRANTING CLAUSE SECOND:

TOGETHER WITH all buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Land, including all extensions, additions, improvements, betterments, renewals, substitutions and replacements to or for any such buildings, structures and improvements and all of the right, title and interest of the Mortgagor now or hereafter acquired in and to any of the foregoing (the "Improvements");

GRANTING CLAUSE THIRD:

TOGETHER WITH all easements, rights of way, strips and gores of land, streets, ways, alleys, sidewalks, vaults, passages, sewer rights, waters, water courses, water drainage and reservoir rights and powers (whether or not appurtenant), all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments, easements, franchises, appendages and appurtenances whatsoever, in any way belonging, relating or appertaining to the Land or the Improvements, whether now owned or hereafter acquired by the Mortgagor, including without limitation all existing and future mineral, oil and gas rights which are appurtenant to or which have been used in connection with the Land, all existing and future water stock relating to the Land or the Improvements, all existing and future share of stock respecting water and water rights pertaining to the Land or the Improvements or other evidence of ownership thereof, and the reversions and remainders thereof (the "Appurtenant Rights");

GRANTING CLAUSE FOURTH:

TOGETHER WITH all machinery, apparatus, equipment, fittings and fixtures of every kind and nature whatsoever, and all furniture, furnishings and other personal property now or hereafter owned by the Mortgagor and forming a part of, or used, usable or obtained for use in connection with the Land or the Improvements or any present or future operation, occupancy, maintenance or leasing thereof; including, but without limitation, any and all heating, ventilating and air conditioning equipment and systems, antennae, appliances, apparatus, awnings, basins, bathtubs, bidets, boilers, bookcases, cabinets, carpets, communication systems, coolers, curtains,

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dehumidifiers, dishwashers, disposals, doors, drapes, drapery rods, dryers, ducts, dynamos, elevators, engines, equipment, escalators, fans, fittings, floor coverings, furnaces, furnishings, furniture, hardware, heaters, humidifiers, incinerators, lighting, machinery, motors, ovens, pipes, plumbing and electric equipment, pool equipment, pumps, radiators, ranges, recreational facilities and equipment, refrigerators, screens, sprinklers, stokers, stoves, shades, shelving, sinks, security systems, toilets, ventilators, wall coverings, washers, windows, window covering, wiring and all extensions, renewals or replacements thereof or substitutions therefor or additions thereto, whether or not the same are or shall be attached to the Land or the Improvements in any manner (the "Fixtures"); it being agreed that all of said property owned by the Mortgagor and placed on the Land or on or in the Improvements (whether affixed or annexed thereto or not) shall, so far as permitted by law, conclusively be deemed to be real property and conveyed hereby for purposes of this Mortgage.

GRANTING CLAUSE FIFTH:

TOGETHER WITH all existing and future goods and items of personal property located on the Land or in the Improvements which are now or in the future owned by the Mortgagor and used, usable or obtained for use in connection with the Land or the Improvements or any present or future operation, occupancy, maintenance or leasing thereof, or any construction on or at the Land or the Improvements, but which are not effectively made Fixtures under Granting Clause Fourth; including, but not limited to, building materials, supplies, equipment and inventories located on the Premises or elsewhere and all extensions, renewals or replacements thereof or substitutions therefor or additions thereto (the "Personal Property");

GRANTING CLAUSE SIXTH:

TOGETHER WITH all right, title and interest which the Mortgagor now has or hereafter may acquire in and to all leases and other agreements now or hereafter entered into for the occupancy or use of the Land, the Appurtenant Rights, the Improvements, the Fixtures and the Personal Property (herein collectively referred to as the "Premises") or any portion thereof, whether written or oral (herein collectively referred to as the "Leases") and all right, title and interest which the Mortgagor now has or hereafter may acquire in and to any bank accounts, security deposits, and any and all other amounts held as security under the Leases, reserving to the Mortgagor any statutory rights;

GRANTING CLAUSE SEVENTH:

TOGETHER WITH any and all Awards and Insurance Proceeds, as hereinafter respectively defined, or proceeds of any sale, option or contract to sell the Premises or any portion thereof (provided that no other right, consent or authority to sell the Mortgaged Property or any portion thereof shall be inferred or deemed to exist by reason hereof); and the Mortgagor hereby authorizes, directs and empowers the Mortgagee, at its option, on the Mortgagor's behalf, or on behalf of the successors or assigns of the Mortgagor, subject to Section 9 to adjust, compromise, claim, collect and receive such proceeds; to give acquittances therefor; and, after deducting

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expenses of collection, including reasonable attorneys' fees, costs and disbursements, to apply the Net Proceeds, as hereinafter defined, to the extent not utilized for the Restoration of the Mortgaged Property as provided in Section 11 hereof, upon the Indebtedness Hereby Secured as provided herein, notwithstanding the fact that the same may not then be due and payable or that the Indebtedness Hereby Secured is otherwise adequately secured; and the Mortgagor agrees to execute and deliver from time to time such further instruments as may be requested by the Mortgagee to confirm such assignment to the Mortgagee of any such proceeds;

GRANTING CLAUSE EIGHTH:

TOGETHER WITH all estate, right, title and interest, homestead or other claim or demand, as well in law as in equity, which the Mortgagor now has or hereafter may acquire of, in and to the Premises, or any part thereof, and any and all other property of every kind and nature from time to time hereafter (by delivery or by writing of any kind) conveyed, pledged, assigned or transferred as and for additional security hereunder by the Mortgagor or by anyone on behalf of the Mortgagor to the Mortgagee;

TO HAVE AND TO HOLD the Mortgaged Property, unto the Mortgagee, and its successors and assigns, IN FEE SIMPLE forever; subject, however, to the Permitted Encumbrances which are set forth on Exhibit "B" attached hereto (the "Permitted Encumbrances");

UPON CONDITION that, subject to the terms hereof and until the occurrence of an Event of Default hereunder, the Mortgagor shall be permitted to possess and use the Mortgaged Property;

SUBJECT to the covenants and conditions hereinafter set forth.

PROVIDED, NEVERTHELESS, that if the Mortgagor shall pay in full when due the Indebtedness Hereby Secured and shall duly and timely perform and observe all of the covenants and conditions herein required to be performed and observed by the Mortgagor, then the Mortgagee shall execute and deliver to the Mortgagor such instruments as may be reasonably requested by the Mortgagor which are sufficient to release this Mortgage.

NOTWITHSTANDING any provision hereof to the contrary, this Mortgage shall secure all future advances made by the Mortgagee in connection with the Mortgaged Property within forty (40) years from the date hereof, whether such advances are obligatory or are made at the option of the Mortgagee or otherwise and whether or not such advances are evidenced by the Note, to the same extent as if such advances were made on the date of execution and delivery hereof, with interest on such future advances at the interest rate set forth in the Note and from and after an Event of Default (as hereinafter defined) at the Default Rate (as defined in the Note); provided that the aggregate outstanding balance of the Indebtedness Hereby Secured shall at no time exceed One Million Two Hundred Thousand Dollars (\$1,200,000.00). All covenants and agreements contained in this Mortgage shall be equally applicable to future advances.

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THE MORTGAGOR FURTHER COVENANTS AND AGREES AS FOLLOWS:

SECTION 1

Representations of Mortgagor

Mortgagor hereby represents to Mortgagee as follows:

(a) Mortgagor (i) is an Illinois land trust, validly existing and in good standing under the laws of the State of Illinois and has complied with all conditions prerequisite to its doing business in the State of Illinois; (ii) has the power and authority to own its properties and to carry on its business as now being conducted; (iii) is qualified to do business in every jurisdiction in which the nature of its business or its properties makes such qualification necessary; and (iv) is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to it.

(b) The Mortgagor has good and marketable title to an indefeasible fee simple estate in the Premises, subject to no liens, charges or encumbrances other than the Permitted Encumbrances, that it has good right and lawful authority to mortgage the Mortgaged Property in the manner and form herein provided, that this Mortgage is and shall remain a valid and enforceable first lien on the Mortgaged Property subject only to the Permitted Encumbrances; that Mortgagor and its successors and assigns shall defend the same and the priority of this lien forever against the lawful claims and demands of all persons whomsoever, and that this covenant shall not be extinguished by any foreclosure hereof but shall run with the land.

(c) Mortgagor has and shall maintain title to the Collateral including any additions or replacements thereto free of all security interests, liens and encumbrances, other than the security interest hereunder, and other than as disclosed to and accepted by Mortgagee in writing, and has good right to subject the Collateral to the security interest hereunder.

(d) The Mortgagor shall, so long as it is owner of the Premises, do all things necessary to preserve franchises, rights and privileges as legal entity under the laws of the state of its formation and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental authority or court applicable to the Mortgagor or to the Premises or any part thereof.

SECTION 2

Payment of Indebtedness; Performance of Covenants, Maintenance, Repair, Compliance with Law, Use, Etc.

(a) The Mortgagor shall (i) pay the Indebtedness Hereby Secured when due; and (ii) duly and punctually perform and observe all of the covenants and conditions to be performed or observed by the Mortgagor as provided in the Note, this Mortgage and the Other Loan Documents.

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(b) The Mortgagor shall (i) promptly repair, restore, replace or rebuild any portion of the Premises which may be damaged or destroyed whether or not Insurance Proceeds are available or sufficient for that purpose in accordance with Section 9 hereof; (ii) keep the Premises in good condition and repair, free from waste; (iii) have the roof of the building on the Premises inspected every five (5) years, or more often if required by the Mortgagee, by a reputable and licensed roof contractor and furnish the Mortgagee a signed counterpart of the roof inspection report and within thirty (30) days thereafter Mortgagor shall provide evidence reasonably acceptable to Mortgagee that any recommended roof repairs have been performed and paid for; (iv) pay all operating costs and expenses of the Premises when due; (v) comply with all legal requirements applicable to all or any portion of the Premises, or the use and occupancy thereof, including but not limited to all federal, state, or municipal laws, ordinances, rules and regulations currently in existence or hereinafter enacted or rendered, governing accessibility for the disabled or handicapped, including, but not limited to, The Architectural Barriers Act of 1968, The Rehabilitation Act of 1973, The Fair Housing Act of 1988, The Americans With Disabilities Act of 1990, as may be amended, any other accessibility code, law or regulation governing the State of Illinois, and all regulations and guidelines promulgated under any of the foregoing, as the same may be amended from time to time, (subject to the right of the Mortgagor to contest the enforceability or applicability of any such legal requirements in good faith, diligently and at its expense by appropriate proceedings which shall not subject the Mortgagor or the Mortgagee to any risk of civil or criminal liability and which shall operate during the pendency thereof to prevent the imposition or foreclosure of any lien upon, or any interference with the availability, use or occupancy of, the Mortgaged Property or any part thereof), and observe and comply with any conditions and requirements necessary to preserve and extend any and all rights, licenses, permits (including without limitation zoning variances, special exceptions and nonconforming uses), privileges, franchises and concessions that are applicable to all or any portion of the Premises or the use and occupancy thereof; (vi) refrain from any action and correct any condition known to the Mortgagor which would materially increase the risk of fire or other hazard to the Premises or any portion thereof; (vii) cause the Premises to be managed in a competent and professional manner; and (viii) comply with the lessor's obligations contained in the lease dated January 17, 1994, as amended, with A-Three Services Agency, Ltd. or any other lease of the Premises (the "Building Lease").

(c) Without the prior written consent of the Mortgagee, the Mortgagor shall not cause, suffer or permit (i) the granting, amendment or termination of any easements, licenses or rights-of-way with respect to the Premises; (ii) the modification, amendment, extension or termination of the Building Lease; (iii) any material alteration of the Premises, except as required by any applicable legal requirement; (iv) any change in the intended use or occupancy of the Premises, including without limitation any change which would increase any fire or other hazard; (v) any change in the identity of the Mortgagor or the person or firm responsible for managing the Premises; (vi) any modification of the licenses, permits, privileges, franchises, covenants, conditions or declarations of use applicable to the Premises, except as required to operate the Premises in the manner required hereunder; (vii) except as provided in Section 15, any sale, alienation or further encumbrance of the Mortgaged Property or any portion thereof or interest therein; or (viii) the conversion of the Premises to a cooperative form of ownership or the conversion of the Premises to a condominium form of ownership.

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SECTION 3

Liens, Contest and Defense of Title

(a) The Mortgagor shall not create or suffer or permit any lien, charge or encumbrance to attach to or be filed against the Mortgaged Property or any part thereof, or interest thereon, or any other rights and properties conveyed, mortgaged, transferred and granted hereunder, whether such lien, charge or encumbrance is on a parity, inferior or superior to the lien of this Mortgage, including liens for labor or materials with respect to the Premises ("Mechanic's Liens").

(b) Notwithstanding paragraph (a) of this Section, the Mortgagor may in good faith and with reasonable diligence contest the validity or amount of any Mechanic's Liens and defer payment and discharge thereof during the pendency of such contest, provided that: (i) such contest shall prevent the sale or forfeiture of the Mortgaged Property, or any part thereof or any interest therein, to satisfy such Mechanic's Liens and shall not result in a forfeiture or impairment of the lien of this Mortgage; and (ii) within ten (10) business days after the Mortgagor has been notified of the filing of any such Mechanic's Liens, the Mortgagor shall have notified the Mortgagee in writing of the Mortgagor's intention to contest such Mechanic's Liens, or to cause such other party to contest such Mechanic's Liens, and shall have obtained a title insurance endorsement over such Mechanic's Liens in form and substance reasonably satisfactory to the Mortgagee, insuring the Mortgagee against loss or damage by reason of such Mechanic's Liens; provided that in lieu of such title insurance endorsement the Mortgagor may deposit and keep on deposit with the Mortgagee (or such depository as may be designated by the Mortgagee) a sum of money sufficient, in the reasonable judgment of the Mortgagee to pay in full such Mechanic's Liens and all interest thereon. Any such deposits are to be held without any allowance of interest and may be used by the Mortgagee in its sole discretion to protect the priority of this Mortgage. In case the Mortgagor shall fail to maintain such title insurance or deposit, or to prosecute or cause the prosecution of such contest with reasonable diligence, or to pay or cause to be paid the amount of the Mechanic's Lien, plus any interest finally determined to be due upon the conclusion of such contest; then the Mortgagee may, at its option, apply any money and liquidate any securities then on deposit with the Mortgagee (or other depository designated by the Mortgagee) in payment of or on account of such Mechanic's Liens, or that part thereof then unpaid, together with all interest thereon according to any written bill, notice or statement without inquiring into the amount, validity or enforceability thereof. If the amount of money so deposited shall be insufficient for the payment in full of such Mechanic's Liens, together with all interest thereon, then the Mortgagor shall forthwith, upon demand, deposit with the Mortgagee (or other depository designated by the Mortgagee) the sum which shall be necessary to make such payment in full. If a Mechanic's Lien claim is ultimately resolved in the claimant's favor, then the monies so deposited shall be applied in full payment of such Mechanic's Lien or that part thereof then unpaid, together with all interest thereon (provided no Event of Default shall then exist) when the Mortgagee has been furnished with satisfactory evidence of the amount of payment to be made. Any excess monies remaining on deposit with the Mortgagee (or other depository) under this Section 3(b) shall be paid to the Mortgagor, provided that no Event of Default shall then exist.

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(c) If the lien and security interest of the Mortgagee in or to the Mortgaged Property, or any part thereof, shall be endangered or shall be attacked, directly or indirectly, the Mortgagor shall within ten (10) business days after receiving notice thereof, notify the Mortgagee and shall appear in and defend any action or proceeding purporting to affect the Mortgaged Property, or any part thereof, and shall file and prosecute such proceedings and take all actions necessary to preserve and protect such title, lien and security interest in and to the Mortgaged Property.

SECTION 4

Payment and Contest of Taxes

(a) The Mortgagor shall pay or cause to be paid when due and before any penalty attaches, all general and special taxes, assessments, water charges, sewer charges, and other fees, taxes, charges and assessments of every kind and nature whatsoever levied or assessed against the Mortgaged Property, or any part thereof, or any interest therein, or any income or revenue therefrom, or any obligation or instrument secured hereby, including without limitation any tax referred to in Section 5(a) hereof, and all installments thereof ("Taxes"), on or before the date such Taxes are due; and the Mortgagor shall discharge any claim or lien relating to Taxes upon the Premises. In the event Mortgagee terminates its tax service agreement then the Mortgagor shall provide the Mortgagee with copies of paid tax bills for Taxes within thirty (30) days after the due dates thereof.

(b) Notwithstanding paragraph (a) of this Section, the Mortgagor may, in good faith and with reasonable diligence, contest or cause to be contested the validity or amount of any such Taxes, provided that: (i) such contest shall prevent the collection of the Taxes so contested and the sale or forfeiture or impairment of the lien of this Mortgage; (ii) the Mortgagor shall have notified the Mortgagee in writing of the Mortgagor's intention to contest such Taxes before any increase by interest, penalties or costs; and (iii) the Mortgagor shall have deposited or caused to be deposited with the Mortgagee (or other depository designated by the Mortgagee) a sum of money or other security reasonably acceptable to the Mortgagee which, when added to the monies or other security, if any, deposited with the Mortgagee (or other depository designated by the Mortgagee) pursuant to Section 8 hereof, shall be sufficient, in the Mortgagee's reasonable judgment, to pay in full such contested Taxes and all penalties and interest which are or might become due thereon. If the Mortgagor fails to prosecute such contest with reasonable diligence or fails to maintain sufficient funds on deposit as hereinabove provided, the Mortgagee may, at its option, liquidate any securities and apply the monies then on deposit with the Mortgagee (or other depository), in payment of, or on account of, such Taxes, or any portion thereof then unpaid, including all penalties and interest thereon according to any written bill, notice or statement, without inquiry as to the amount, validity or enforceability thereof. If the amount of money and any such security so deposited shall (in the Mortgagee's reasonable judgment) at any time be insufficient for the payment in full of such Taxes, together with all penalties and interest which are or might become due thereon, the Mortgagor shall forthwith, upon demand, either deposit with the Mortgagee (or other depository designated by the Mortgagee) a sum (or such other security as shall be reasonably satisfactory to Mortgagee) which when added to the funds then on deposit, shall (in the Mortgagee's reasonable judgment) be sufficient to make such payment in full, or, if the Mortgagee

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(or other depository) has applied funds so deposited on account of such Taxes, restore such deposit to an amount reasonably satisfactory to the Mortgagee. After final disposition of such contest and upon the Mortgagor's written request and delivery to the Mortgagee of an official bill for such Taxes, the Mortgagee (or other depository) shall liquidate any securities and apply the monies, if any, then on deposit under this Section 4 to the payment of such Taxes and the balance, if any, in excess of the amount required to be on deposit with the Mortgagee (or other depository) under Section 8 hereof, shall be refunded to the Mortgagor after such final disposition, provided that no Event of Default shall then exist.

SECTION 5

Change in Tax Laws

(a) If by the laws of the United States of America, or of any state or municipality having jurisdiction over the Mortgagee, the Mortgagor or the Mortgaged Property, any tax is imposed or becomes due in respect of the Note or this Mortgage (excluding income, excise or franchise taxes imposed upon the Mortgagee, except as provided in paragraph (c) below), or any liens on the Mortgaged Property created thereby, then the Mortgagor shall pay such tax in the manner required by such law.

(b) If any law, statute, rule, regulation, order or court decree effects a deduction from the value of the Mortgaged Property for the purpose of taxation by creating any lien thereon, or imposing upon the Mortgagee any liability for the payment of all or any part of the Taxes required to be paid by the Mortgagor, or changing in any way the laws relating to the taxation of mortgages or deeds of trusts or debts secured by mortgages or deeds of trust or the interest of the Mortgagee in the Mortgaged Property, or the manner of collection of Taxes so as to adversely affect this Mortgage, the Indebtedness Hereby Secured, or the Mortgagee, then, and in any such event, the Mortgagor, upon demand by the Mortgagee, shall pay such Taxes, or reimburse the Mortgagee therefor on demand, unless the Mortgagee determines, in the Mortgagee's reasonable judgment, that such payment or reimbursement by the Mortgagor is unlawful or that the payment might, in the Mortgagee's judgment, constitute usury or render the Indebtedness Hereby Secured wholly or partially usurious; in which event the Mortgagee may elect to declare the Indebtedness Hereby Secured to be due and payable within one hundred eighty (180) days after written demand by the Mortgagee to the Mortgagor, without payment of the Prepayment Premium (as hereinafter defined).

(c) Nothing contained herein shall require the Mortgagor to pay any income, franchise or excise tax imposed upon the Mortgagee, excepting only such income, franchise or excise tax which may be levied against the income of the Mortgagee as a complete or partial substitute for Taxes required to be paid by the Mortgagor hereunder.

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SECTION 6 Insurance Coverage

The Mortgagor will deposit and maintain with the Mortgagee until the Indebtedness Hereby Secured is paid in full original certificates of insurance, premiums prepaid, with a mortgagee clause in favor of the Mortgagee and issued by companies with a "Best's (Insurance) Key Rating Guide" rating of no lower than "A VII" and otherwise satisfactory to the Mortgagee insuring against such risks as shall be required by the Mortgagee, including, but not limited to the following:

(a) All Risks coverage for loss or damage by fire, lightning, windstorm, hail, explosion, riot attending a strike, civil commotions, aircraft, vehicles, smoke, hazards, casualties and other contingencies customarily covered by "all risks" insurance including vandalism and malicious mischief, broad form boiler and machinery insurance on all equipment and objects customarily covered by such insurance, and sprinkler insurance; in an amount equal to one hundred per cent (100%) of the full replacement value of all improvements on the Premises together with an agreed amount endorsement, an ordinance-and-law endorsement, and a waiver of subrogation endorsement and, with co-insurance clause, if any, only as acceptable to the Mortgagee. Such insurance policies shall contain acceptable mortgagee clauses in favor of the Mortgagee and any other party designated by the Mortgagee as their interests may appear and provide a thirty (30) day notice of cancellation to the Mortgagee; and

(b) Commercial General Public Liability and Property Damage insurance applicable to the Premises covering the legal liability of the Mortgagor against claims for bodily injury or death or property damage occurring on, in or about the Premises in an amount not less than One Million Dollars (\$1,000,000.00) and approved from time to time by the Mortgagee, which insurance shall provide coverage to the Mortgagee as an additional insured; and

(c) Flood and Mudslide Insurance in an amount equal to the lesser of (i) the amount required for one hundred per cent (100%) of the full replacement value of all improvements, with co-insurance clause if any, only as acceptable to the Mortgagee; or (ii) the maximum limit of coverage available with respect to the Premises under the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1978 or the National Flood Insurance Reform Act of 1994, as each may be amended; provided that such Flood and Mudslide Insurance shall not be required so long as the Mortgagor provides the Mortgagee with survey certification or other evidence satisfactory to the Mortgagee in its sole discretion that the Mortgaged Property remains outside of an area identified by the Secretary of Housing and Urban Development or any other governmental department, agency, bureau, board, or instrumentality as an area having special flood or mudslide hazard, and that no flood or mudslide insurance is required on the Premises by any regulations under which the Mortgagee is governed. Mortgagee shall require and the Mortgagor agrees to pay the cost of a Flood Hazard Certification which will provide flood zone tracking service to the Mortgagee during the life of this Loan; and

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(d) Rent loss or business income coverage insuring against any loss of income resulting from damage or destruction from insurable perils in an amount equal to twelve (12) months principal and interest payments, real estate taxes and insurance premiums, which insurance shall name the Mortgagee as Loss Payee.

(e) During the making of any alterations or improvements to the Premises, Mortgagor will maintain and provide proof of coverage to Mortgagee (which shall name Mortgagee as Loss Payee): (i) owner's contingent liability insurance covering claims not covered by the general comprehensive insurance referred to above; and (ii) Worker's Compensation insurance covering all persons engaged in making such alterations or improvements.

(f) Such other insurance coverages, customary for prudent owners of properties similar to the Premises, as the Mortgagee may reasonably require.

SECTION 7 Insurance Policies

(a) All Insurance Policies shall be with such companies, for such term, and in such form and content, as may be reasonably satisfactory to the Mortgagee. All insurance described in Section 6 shall name the Mortgagor as the insured. Any insurance required hereunder may be in the form of blanket insurance policies, subject to the consent of the Mortgagee, which consent shall not be unreasonably withheld.

(b) The insurance policies must insure the interest of the Mortgagee in the Premises as mortgagee and secured party; must contain a waiver of the right of subrogation satisfactory to the Mortgagee and a provision that the interest of the Mortgagee shall not be invalidated by any act or omission of the Mortgagor or owner of the Premises, or any part thereof; and must include a standard non-contributory mortgagee loss payable clause in favor of the Mortgagee, as its interest may appear. Any liability insurance policy shall name the Mortgagee as an "additional insured". All insurance policies shall contain a provision that the Mortgagee shall receive not less than thirty (30) days prior written notice before any expiration, cancellation or modification of, or material reduction in coverage under, such policies. In all cases the Mortgagor shall immediately give notice to the Mortgagee of any notice received by the Mortgagor of any expiration, cancellation or modification of, or material reduction in coverage under, any such policy. The requirements of this paragraph (b) shall apply to any separate policies of insurance taken out by the Mortgagor concurrent in form or contributing in the event of loss with the Insurance Policies.

(c) All insurance premiums shall be paid in full in advance prior to the due date and original certificates of insurance with premiums prepaid (accompanied by paid premium receipts) shall be delivered to the Mortgagee prior to the initial disbursement of the Indebtedness Hereby Secured and thereafter, in the case of Insurance Policies about to expire, not less than thirty (30) days prior to such expiration date.

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(d) Approval by the Mortgagee of any Insurance Policies shall not be deemed a representation by the Mortgagee as to the adequacy of coverage of such Insurance Policies or the solvency of the insurer.

(e) Unless Mortgagor provides Mortgagee with evidence of the insurance coverage required by the terms of this Mortgage, Mortgagee may purchase insurance at Mortgagor's expense to protect Mortgagee's interests in the Mortgaged Premises. This insurance may, but need not, protect Mortgagor's interests. The coverage that Mortgagee purchases may not pay any claim that Mortgagor makes or any claim that is made against Mortgagor in connection with the Mortgaged Premises. Mortgagor may later cancel any insurance purchased by Mortgagee, but only after providing Mortgagee with evidence that Mortgagor has obtained insurance as required by this Mortgage. If Mortgagee purchases insurance for the Mortgaged Premises, Mortgagor will be responsible for the costs of that insurance, including interest and any other charges Mortgagee may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the Indebtedness Hereby Secured. The costs of the insurance may be more than the cost of insurance Mortgagor may be able to obtain on Mortgagor's own.

(f) In the event of the foreclosure of this Mortgage, or other transfer of title to the Premises, or any part thereof, by non-judicial foreclosure sale or deed in lieu of foreclosure, the purchaser of the Premises, or such part thereof, shall succeed to all of the Mortgagor's rights, including any rights to unexpired insurance and unearned or returnable premiums, in and to all Insurance Policies required by this Section and Section 6 hereof, subject to limitations on assignment of blanket policies, and limited to such rights as relate to the Premises or such part thereof. If the Mortgagee acquires title to the Premises, or any part thereof, in any manner, it shall thereupon (as between the Mortgagor and the Mortgagee) become the sole and absolute owner of the Insurance Policies and all proceeds payable thereunder with respect to the Premises, or such part thereof, required by this Section, with the sole right to collect and retain all unearned or returnable premiums thereon with respect to the Premises, or such part thereof, if any.

SECTION 8

Deposits for Taxes and Insurance Premiums

(a) To assure the payment of Taxes and all premiums for Insurance Policies required to be maintained hereunder ("Premiums"), as and when the same shall become due and payable, the Mortgagor shall deposit with the Mortgagee (or such other depository as the Mortgagee shall direct) on each monthly payment date under the Note, an amount equal to one-twelfth (1/12) of the Taxes and Premiums to become due upon or with respect to the Premises; provided that for the first such deposit, the Mortgagor shall deposit an amount which, when added to the aggregate amount of monthly deposits to be made hereunder with respect to Taxes and Premiums, will provide (without interest) a sufficient fund to pay such Taxes and Premiums one month prior to the date when they are due and payable. The amounts of such deposits (herein generally called "Tax and Insurance Deposits") shall be based upon the Mortgagee's estimate as to the annual amount of Taxes and Premiums. The Mortgagor shall promptly, upon the demand of the

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Mortgagee, make such additional Tax and Insurance Deposits as the Mortgagee may from time to time require due to (i) failure of the Mortgagee to require, or failure of the Mortgagor to make, Tax and Insurance Deposits in previous months; (ii) under-estimation of the amounts of Taxes and/or Premiums; (iii) the particular due dates and amounts of Taxes and/or Premiums; or (iv) application of the Tax and Insurance Deposits pursuant to Section 8(c) hereof. All Tax and Insurance Deposits shall be held in a non-interest bearing account.

(b) Notwithstanding the provisions of subparagraph (a) above, the Mortgagor shall not be required to make Tax and Insurance Deposits so long as: (1) the Mortgagor remains the owner of the Mortgaged Premises and A-Three Services Agency, Ltd. remains the tenant of the Mortgaged Premises; (2) no Event of Default has occurred and the Mortgagor has timely paid all Taxes and Premiums required to be paid hereunder and provided proof of payment to the Mortgagee; and (3) Mortgagee is timely provided with evidence of renewal of the Insurance Policies required to be maintained hereunder by the Mortgagor.

(c) If Mortgagor is making Tax and Insurance Deposits, then upon presentation to the Mortgagee by the Mortgagor of proper bills for the payment of Taxes and Premiums when due, the Mortgagee will pay such Taxes and Premiums out of the Tax and Insurance Deposits then held by the Mortgagee (or other depository) or, upon presentation of receipted bills therefor, to reimburse the Mortgagor for such payments made by the Mortgagor provided no Event of Default shall then exist hereunder. If the total Tax and Insurance Deposits on hand shall not be sufficient to pay all of the Taxes and Premiums when the same shall become due, then the Mortgagor shall pay to the Mortgagee (or other depository) on demand by the Mortgagee the amount necessary to make up the deficiency. Notwithstanding anything herein contained to the contrary, the Mortgagee, or its successors and assigns, shall not be obligated to apply any Tax and Insurance Deposits to the payment of any Taxes or Premiums unless and until the Mortgagor presents a written requisition accompanied by proper bills for the payment of Taxes or Premiums which are then due and for the payment of which such Tax and Insurance Deposits were made, provided that no Event of Default shall exist hereunder.

(d) Upon the occurrence of an Event of Default under this Mortgage, the Mortgagee may, at its option, without being required to do so, apply any Tax and Insurance Deposits on hand to the payment of any of the Indebtedness Hereby Secured or to pay or perform any obligations of the Mortgagor which shall then be in default hereunder, in such order and manner as the Mortgagee in its sole discretion may elect. When the Indebtedness Hereby Secured has been fully paid, any remaining Tax and Insurance Deposits shall be paid to the Mortgagor, or to the grantee or purchaser of the Premises following any judicial foreclosure sale or conveyance by deed in lieu of foreclosure. All Tax and Insurance Deposits and any other monies on deposit pursuant to the terms of this Mortgage are hereby pledged as additional security for the Indebtedness Hereby Secured, and shall be held irrevocably by the Mortgagee (or other depository) to be applied for the purposes for which made as herein provided, and shall not be subject to the direction or control of the Mortgagor.

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SECTION 9

Casualty Loss; Proceeds of Insurance

(a) The Mortgagor will give the Mortgagee prompt written notice of any loss or damage to the Premises, or any part thereof, by fire or other casualty.

(b) In case of loss or damage covered by any one of the Insurance Policies, as long as no Event of Default has occurred, or no event has occurred which with the giving of notice (if required) and/or the passage of time would constitute an Event of Default, the Mortgagor is hereby authorized, with the consent of the Mortgagee, which consent shall not be unreasonably withheld or delayed, and subject to the provisions of the Building Lease, to settle and adjust any claim under such Insurance Policies. If an Event of Default has occurred, or an event has occurred which with the giving of notice (if required) and/or the passage of time would constitute an Event of Default then the Mortgagee is hereby authorized to settle and adjust any claim under such Insurance Policies (and after the entry of a decree of foreclosure, or a sale or transfer pursuant thereto or in lieu thereof, the decree creditor or such purchaser or transferee, as the case may be are hereby authorized to settle and adjust any claim under such Insurance Policies) without the consent of the Mortgagor, and the Mortgagee shall, and is hereby authorized to, collect and receipt for any and all proceeds payable under such Insurance Policies ("Insurance Proceeds"). All reasonable costs and expenses incurred by the Mortgagee in the adjustment and collection of any such Insurance Proceeds (including without limitation reasonable attorneys' fees and expenses) shall be so much additional Indebtedness Hereby Secured, and shall be reimbursed to the Mortgagee upon demand or may be paid and deducted by the Mortgagee from such Insurance Proceeds prior to any other application thereof. Each insurance company which has issued an Insurance Policy covering any loss or damage to the Premises (including without limitation loss of rents or business interruption coverage) is hereby authorized and directed to make payment for all losses covered by an Insurance Policy to the Mortgagee alone, and not to the Mortgagor and the Mortgagee jointly.

(c) In the event any insurance company fails to disburse directly and solely to the Mortgagee but disburses instead either solely to the Mortgagor or to the Mortgagor and the Mortgagee jointly, the Mortgagor shall receive such Insurance Proceeds in trust for the benefit of the Mortgagee and shall immediately endorse and transfer the Insurance Proceeds to the Mortgagee upon demand. If the Mortgagor shall fail or refuse to endorse and transfer such Insurance Proceeds to the Mortgagee upon demand, as aforesaid, the Mortgagee may execute such endorsements or transfer for and in the name of the Mortgagor and the Mortgagor hereby appoints the Mortgagee as agent and attorney-in-fact of the Mortgagor with power of substitution so to do, which power of attorney shall be irrevocable and coupled with an interest.

(d) All Insurance Proceeds shall be applied by the Mortgagee in accordance with the provisions of Section 11 hereof.

(e) So long as any Indebtedness Hereby Secured shall be outstanding and unpaid, and whether or not Insurance Proceeds are sufficient or available therefor, the Mortgagor shall commence within sixty (60) days after the casualty and proceed to complete with all reasonable

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diligence the Restoration of the Premises as nearly as possible to the same value, condition and character which existed immediately prior to such loss or damage in accordance with plans and specifications approved by the Mortgagee for any Restoration involving costs in excess of \$50,000.00 ("Restoration Plans") and in compliance with all legal requirements. Any Restoration shall be effected in accordance with procedures to be first submitted to and approved by the Mortgagee as provided in Section 11 hereof. The Mortgagor shall pay all costs of such Restoration.

SECTION 10

Condemnation and Eminent Domain

(a) Any and all awards (the "Awards") heretofore or hereafter made or to be made to the Mortgagor (or any subsequent owner of the Premises, or any part thereof), by any governmental or other lawful authority for the taking, by condemnation or eminent domain, of all or any part of the Premises (including any award from the United States government at any time after the allowance of a claim therefor, the ascertainment of the amount thereto, and the issuance of a warrant for payment thereof) are hereby assigned by the Mortgagor to the Mortgagee, which Awards the Mortgagee is hereby authorized to collect and receive from the condemnation authorities. Prior to the occurrence of an Event of Default, or occurrence of any event which with the giving of notice (if required) and/or the passage of time would constitute an Event of Default, the Mortgagor is hereby authorized to appear in and prosecute any action or proceeding to enforce any such cause of action and, with the prior written consent of the Mortgagee, which consent shall not be unreasonably withheld, to make any compromise or settlement in connection therewith and to give appropriate receipts and acquittances therefor. The Mortgagor shall give the Mortgagee prompt notice of the actual or threatened commencement of any condemnation or eminent domain proceedings affecting all or any part of the Premises and shall deliver to the Mortgagee copies of any and all papers served in connection with any such proceedings. All reasonable costs and expenses incurred by the Mortgagee in the adjustment and collection of any such Awards (including without limitation reasonable attorneys' fees and expenses) shall be so much additional Indebtedness Hereby Secured, and shall be reimbursed to the Mortgagee upon demand or may be paid and deducted by the Mortgagee from any Award prior to any other application thereof. The Mortgagor further agrees to make, execute and deliver to the Mortgagee, at any time upon request, free, clear, and discharged of any encumbrance of any kind whatsoever (other than Permitted Encumbrances), any and all further assignments and other instruments deemed necessary by the Mortgagee for the purpose of validly and sufficiently assigning all Awards and other compensation heretofore and hereafter made to the Mortgagor for any taking, either permanent or temporary, under any such proceeding.

(b) The proceeds of any Awards shall, at the option of the Mortgagee, be paid to the Mortgagor upon completion of the Restoration of the Premises, or be applied to prepayment of the Indebtedness Hereby Secured as provided in Section 11.

(c) So long as any Indebtedness Hereby Secured shall be outstanding and unpaid, and whether or not Awards are sufficient or available therefor, the Mortgagor shall within sixty (60)

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days after the taking commence and proceed to complete with all reasonable diligence the Restoration of the portion of the Premises not so taken as nearly as possible to the same value, condition and character, which existed immediately prior to such taking in compliance with all legal requirements. Any Restoration of the Premises involving costs in excess of \$50,000.00 shall be effected in accordance with Restoration Plans to be first submitted to and approved by the Mortgagee as provided in Section 11 hereof. The Mortgagor shall pay all costs of such Restoration.

SECTION 11

Disbursement of Insurance Proceeds and Awards

(a) All Insurance Proceeds and/or Awards received by the Mortgagee as provided in Section 9 or Section 10 hereof shall, after payment or reimbursement thereof of all reasonable costs, and expenses (including without limitation reasonable attorneys' fees and expenses) incurred by the Mortgagee in the adjustment and collection thereof (the "Net Proceeds"), shall be applied as provided in this Section.

(b) If an Event of Default has occurred or an event has occurred which with the giving of notice (if required) and/or passage of time would constitute an Event of Default, the Building Lease is terminated, if in the reasonable judgment of the Mortgagee the Premises cannot be restored to an architectural and economic unit of the same character and value that existed prior to the casualty or condemnation, or the casualty or condemnation occurs after July 15, 2016, then the Mortgagee may elect to apply the Net Proceeds to prepayment of the Indebtedness Hereby Secured, whether then due or not. If the Indebtedness Hereby Secured is not prepaid in full by reason of the application of Net Proceeds as provided herein or by reason of Section 10 (b), then the Net Proceeds shall be applied to the installments of principal and interest in the inverse order of maturity.

(c) All Net Proceeds which are not applied to the payment of the Indebtedness Hereby Secured shall be applied to reimburse the Mortgagor for the payment of the costs, fees and expenses incurred for the Restoration of the Premises as required under Section 9 or Section 10 hereof and such Net Proceeds shall be disbursed to the Mortgagor not more frequently than monthly, provided that the Mortgagee shall receive:

(i) Restoration Plans (unless the costs involved in such Restoration shall not exceed \$50,000.00) which shall be subject to the reasonable approval of the Mortgagee prior to the commencement of the Restoration.

(ii) Such architect's and engineer's certificates, waivers of lien, contractor's sworn statements, title insurance endorsements, plats of survey, opinions of counsel and such other evidences of cost, payment and performance as the Mortgagee may require and approve.

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(iii) No payment made prior to final completion of such Restoration shall exceed ninety per cent (90%) of the value thereof, and at all times, the undisbursed balance of Net Proceeds shall be at least sufficient to pay for the cost of completion thereof, free and clear of liens. In the event Net Proceeds are insufficient to cover the cost of such rebuilding or restoring, Mortgagor shall pay such excess costs prior to any disbursement of Net Proceeds to it.

(d) If the Mortgagor shall fail to commence Restoration within one hundred twenty (120) days after the loss or damage to the Premises, and diligently proceed to complete Restoration in accordance with the Restoration Plans and Applicable Laws, or if any other Event of Default shall occur hereunder at any time (whether before or after the commencement of such Restoration) all or any portion of the Indebtedness Hereby Secured may be declared to be immediately due and payable and such Net Proceeds, or any portion thereof, then held, or subsequently received, by the Mortgagee or other depositary hereunder may be applied, at the option and in the sole discretion of the Mortgagee, to the payment or prepayment of the Indebtedness Hereby Secured in whole or in part, or to the payment and performance of such obligations of the Mortgagor as may then be in default hereunder.

(e) Any surplus which may remain out of such Net Proceeds after payment of all costs, fees and expenses of such Restoration shall, at the option of the Mortgagee, either be applied to prepayment of the Indebtedness Hereby Secured in reverse order of the installments due on the Note, or be paid to the Mortgagor.

(f) Any Net Proceeds which are applied to the Indebtedness Hereby Secured shall be without payment of any Prepayment Premium (as defined in the Note).

SECTION 12 Prepayment of Note

The Mortgagor shall have the privilege of prepayment of the Principal Amount, in whole or in part, by paying the Prepayment Premium on the amount prepaid as computed in accordance with the provisions of the Note, which provisions are hereby incorporated by reference as though fully set forth herein.

SECTION 13 Mortgagee's Performance of Mortgagor's Obligations

(a) In case of an Event of Default hereunder the Mortgagee may, but without any obligation to do so, make any payment or perform any act which the Mortgagor is required to make or perform hereunder (whether or not the Mortgagor is personally liable therefor) in any form and lawful manner deemed expedient to the Mortgagee, including without limitation the right to enter into possession of the Premises, or any portion thereof, and to take any action (including without limitation the release of any information regarding the Premises, the Mortgagor and the

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obligations secured hereby) which the Mortgagee deems necessary or desirable in connection therewith at the cost and expense of the Mortgagor. The Mortgagee, in addition to any rights or powers granted or conferred hereunder but without any obligation to do so, may rent, operate, and manage the Premises, or any part thereof, including payment of management fees and other operating costs and expenses, of every kind and nature in connection therewith, so that the Premises shall be operational and usable for their intended purposes. All monies paid, and all reasonable expenses paid or incurred in connection therewith, including but not limited to reasonable costs of surveys, evidence of title, court costs and attorneys' fees and expenses and other monies advanced by the Mortgagee to protect the Premises and the lien hereof, to rent, operate and manage the Premises or to pay any such operating costs and expenses thereof or to keep the Premises operational and usable for their intended purposes shall be so much additional Indebtedness Hereby Secured, and shall become immediately due and payable on demand, and with interest thereon at the Default Rate.

(b) The Mortgagee, in making any payment may do so according to any written bill, notice, statement or estimate, without inquiry into the amount, validity or enforceability thereof.

(c) Nothing contained herein shall be construed to require the Mortgagee to advance or expend monies for any purpose mentioned herein, or for any other purpose.

SECTION 14

Security Agreement

(a) This Mortgage is also a security agreement and financing statement under the Uniform Commercial Code of Illinois (the "Uniform Commercial Code") with respect to the Mortgaged Premises, except for the Land, the Improvements and Fixtures which cannot be severed from the Premises without causing structural damage (the "Collateral"), including without limitation any Personal Property, which Personal Property may not be deemed to be affixed to the Land or Improvements or may not constitute a "fixture", within the meaning of Section 9-313 of the Uniform Commercial Code and all replacements, substitutions for and additions to such Personal Property, and the proceeds thereof, and that a security interest in and to the Collateral is hereby granted to the Mortgagee, as collateral security for the payment of the Indebtedness Hereby Secured. All of the terms, provisions, conditions and agreements contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property comprising the Mortgaged Property; and the following provisions of this Section shall not limit the applicability of any other provisions of this Mortgage but shall be in addition thereto.

This Mortgage also constitutes a fixture filing under the Uniform Commercial Code.

(b) The names and addresses of the Mortgagor, as debtor and of the Mortgagee, as secured party, for the purposes of the Uniform Commercial Code, are set forth in Section 36 hereof.

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(c) The Mortgagor is and will be the true and lawful owner of the Collateral, subject to no liens, charges or encumbrances other than the lien hereof and Permitted Encumbrances.

(d) The Collateral will be kept at the Land, will be used by the Mortgagor solely for business purposes, and, except for Collateral which has become obsolete (the "Obsolete Collateral"), will not be removed therefrom without the consent of the Mortgagee. The Personal Property constituting the Collateral may be affixed to the Land or the Improvements but will not be affixed to any other real estate.

(e) No financing statement covering any of the Collateral or any proceeds thereof is on file in any public office. The Mortgagor will at its own cost and expense, upon demand, furnish to the Mortgagee such further information and will execute and deliver to the Mortgagee such financing statements, continuation statements and other documents in a form satisfactory to the Mortgagee and will do all such acts and things as the Mortgagee may at any time or from time to time request or as may be necessary or appropriate to establish and maintain a perfected security interest in the Collateral as security for the Indebtedness Hereby Secured, subject only to Permitted Encumbrances, and the Mortgagor will pay any fee, tax, charge or other cost of filing or recording such financing statements, continuation statements or other documents, in all public offices wherever filing or recording is deemed by the Mortgagee to be necessary or desirable.

(f) The Mortgagee shall have all the rights and remedies of a secured party under the Uniform Commercial Code upon the occurrence of an Event of Default hereunder, including without limitation, the right to take immediate and exclusive possession of the Collateral, or any part thereof to the extent and in the manner permitted by applicable law.

SECTION 15 Restrictions on Transfer

For the purpose of protecting Mortgagee's security, and keeping the Premises free from subordinate financing liens, Mortgagor agrees that it will not:

(a) sell, assign, transfer, hypothecate, grant a security interest in or convey title to the Premises, or the beneficial interest in any trust holding title to the Premises, or the capital stock of any corporation, the partnership interests of any partnership, or the membership interests of any limited liability company, holding title to the Premises or owning the beneficial interest in any trust holding title to the Premises; or

(b) obtain any financing, all or a part of which, will be secured by the Premises or by an assignment of the beneficial interest in any trust holding title to the Premises, or the capital stock of any corporation, the partnership interests of any partnership, or the membership interests of any limited liability company, holding title to the Premises or owning the beneficial interest in any trust holding title to the Premises;

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without the Mortgagee's prior written consent, and the happening of any such event without the written consent of the Mortgagee shall be an Event of Default hereunder. The Mortgagor shall have the right to dispose of Obsolete Collateral without the Mortgagee's consent as long as the Mortgagor obtains replacement Collateral which shall then be subject to the security interest of the Mortgagee.

In the event Mortgagee consents to any further mortgage, pledge or encumbrance of all or any portion of the Mortgaged Premises (and Mortgagor hereby acknowledges that Mortgagee may withhold its consent in its sole and absolute discretion), Mortgagee may condition its consent upon an increase in the interest rate in the Note, and/or a "buy-down fee" in lieu of, or in combination with, an interest rate increase, and the Mortgagor paying all Mortgagee's costs and expenses, including reasonable attorneys' fees, in connection therewith.

Notwithstanding the foregoing, the Mortgagee shall agree to a one-time sale or transfer of the Mortgaged Premises provided that:

- (i) the Mortgagee approves the purchaser or transferee (the "Purchaser") based upon the Mortgagee's review of the Purchaser's creditworthiness and real estate experience;
- (ii) no Event of Default has occurred which has not been cured;
- (iii) any deferred maintenance of the Mortgaged Premises has been corrected by the Mortgagor;
- (iv) the Mortgagee will require payment of a transfer fee of one per cent (1%) of the unpaid Principal Amount which will be due and payable upon approval of the Purchaser;
- (v) all legal fees, recording fees and other costs related to the transfer of the Mortgaged Premises are paid by the Mortgagor or the Purchaser;
- (vi) the Purchaser executes an assumption agreement, Agreement Assuming Personal Liability Agreement and an Environmental Indemnity Agreement in form and content reasonably required by the Mortgagee.
- (vii) Upon occurrence of a transfer of the Premises which is approved by the Mortgagee, the Mortgagor, the Beneficiary and the Guarantor (as hereinafter defined) shall be released from any liability under the Agreement Assuming Personal Liability and the Environmental Indemnity Agreement which accrued after the date of the transfer of the Premises.

Notwithstanding the above, as long as 420 Academy Drive Property Partnership is the beneficiary of the Mortgagor, the Mortgagee shall allow transfers required by law (but specifically excepting transfers as a result of a foreclosure sale), and intra-family transfers among the family members of William A. Lederer, and subparagraphs (i), (iv) and (vii) above shall not be applicable to any such transfers.

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Mortgagor shall be permitted to obtain a loan secured by a mortgage on the Premises (the "Subordinate Financing") as long as the Subordinate Financing complies with all the following conditions:

(A) the aggregate indebtedness secured by this Mortgage and the Subordinate Financing shall not exceed eighty per cent (80%) of the fair market value of the Premises as shown by an appraisal obtained at Mortgagor's expense and which is acceptable to Mortgagee;

(B) the net operating income from the Premises, determined on the lower of market rents or actual income from the Premises, is 1.05 times the aggregate scheduled principal and interest payments due on the notes secured by this Mortgage and the Subordinate Financing;

(C) Mortgagee is notified in advance of the Subordinate Financing and is provided with copies of all documents reasonably requested by it;

(D) the holder of the note secured by the Subordinate Financing shall enter into a subordination agreement with Mortgagee expressly subordinating the Subordinate Financing to this Mortgage and such other terms and conditions reasonably acceptable to Mortgagee; and

(E) Mortgagor shall pay all costs and expenses incurred by Mortgagee in connection with the Subordinate Financing, including reasonable attorneys' fees.

SECTION 6

Events of Default, Remedies

(a) Any one or more of the following events shall constitute an event of default under this Mortgage (an "Event of Default"):

(i) If any payment on the Note or deposit of monies required under this Mortgage is not received by the Mortgagee within ten (10) days after the due date; or

(ii) If the Mortgagor shall fail to maintain the insurance coverages in effect as required in Section 6 hereof and such failure shall continue for two (2) business days after written notice of such failure has been given by the Mortgagee to the Mortgagor; or

(iii) If a prohibited transfer shall occur as set forth in Section 15 hereof; or

(iv) If any representation or warranty made by the Mortgagor pursuant to or in connection with this Mortgage shall prove to be untrue or incorrect in any material respect; or

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(v) If a final judgment or judgments for the payment of money (which payment has not been insured against) aggregating in excess of \$50,000.00 is or are outstanding against the Mortgagor, or any beneficiary of the Mortgagor (the "Beneficiary"), or the Guarantor or against any of the properties or assets of the Mortgagor, the Beneficiary, or the Guarantor, and any one of such judgments has remained unpaid, unvacated, unbonded or unstayed by appeal or otherwise for a period of thirty (30) days from the date of its entry; or

(vi) If a proceeding is instituted seeking a decree or order for relief in respect of the Mortgagor, the Beneficiary or the Guarantor in any involuntary case under the Federal bankruptcy laws, as now or hereafter constituted, or any other applicable Federal or State bankruptcy, insolvency or other similar law now or hereafter in effect, or for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Mortgagor, the Beneficiary or the Guarantor, or for any substantial part of the property of the Mortgagor, the Beneficiary or the Guarantor, or for the winding-up or liquidation of the business or affairs of the Mortgagor, the Beneficiary or the Guarantor and such proceeding shall remain undismissed or unstayed and in effect for a period of ninety (90) consecutive days, or a decree or order shall be entered granting the relief sought in such proceeding; or

(vii) If the Mortgagor, the Beneficiary or the Guarantor shall generally fail to pay, or admit an inability to pay its debts as they become due or shall voluntarily commence proceedings under the Federal bankruptcy laws, as now or hereafter constituted, or any bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of the Mortgagor, the Beneficiary or the Guarantor, or shall take any action in furtherance of any of the foregoing; or

(viii) If any default shall occur in the due and punctual performance of, or compliance with any of the terms, covenants, conditions or agreements contained herein [other than as described in the preceding clauses (i) through (vii) of this paragraph (a) of Section 16] and the continuance of such default for thirty (30) days after notice thereof shall be given to the Mortgagor by the Mortgagee, provided that if any default referred to in this paragraph (viii) cannot be cured with diligence within said thirty (30) day period, the Mortgagor shall have such additional time [but not in excess of ninety (90) additional days] as may be required to cure such default so long as the Mortgagor commences and diligently pursues all actions necessary to effect such cure;

(ix) If any default occurs in any of the Other Loan Documents which is not cured within any applicable cure period.

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(b) Upon the occurrence of any Event of Default hereunder the Mortgagee is hereby authorized and empowered, at its option and without affecting the lien hereby created or the priority of said lien or any other right of the Mortgagee hereunder to do any or all of the following without notice to or demand upon the Mortgagor or any party liable for the obligations secured hereby or having an interest in the Mortgaged Property (except as otherwise specifically required herein or by law):

(i) To declare, without further notice, all Indebtedness Hereby Secured to be immediately due and payable, together with the applicable Prepayment Premium, and with interest thereon at the Default Rate;

(ii) To commence a judicial action to foreclose this Mortgage;

(iii) To exercise any right, power or remedy provided by this Mortgage, the Note, the Other Loan Documents or by law or in equity or by any other document or instrument regulating, evidencing, securing or guarantying any of the Indebtedness Secured Hereby.

SECTION 17

Foreclosure

(a) The Mortgagee may bring an action in any court of competent jurisdiction to foreclose this Mortgage, to enforce any of the covenants and agreements hereof, in the Note or the Other Loan Documents, or exercise any of the remedies contained in the Illinois Mortgage Foreclosure Law, as amended from time to time.

(b) In any proceeding for the foreclosure of the lien hereof, there shall be allowed and included as additional Indebtedness Hereby Secured, all reasonable expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for attorneys' fees, appraisers' fees, accountants fees, environmental engineers' fees, fees of other professionals, outlays for documentary and expert evidence, stenographers charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurance with respect to title as the Mortgagee may deem reasonably necessary either to prosecute such proceedings for foreclosure and sale or any suit or to evidence to bidders at sales which may be had by the Mortgagee or pursuant to such decree the true conditions of the title to or the value of the Premises. All reasonable expenditures and expenses of the nature mentioned herein, and such other reasonable expenses and fees as may be incurred in the protection of the Mortgaged Property, including without limitation the collection of the rents and other income and the maintenance of the lien of this Mortgage, including the reasonable fees and expenses of any attorney employed by the Mortgagee in any litigation or proceedings affecting this Mortgage, the Note, or the Mortgaged Property, including probate and bankruptcy proceedings, out of court workouts, or in preparation of the commencement or defense of any proceedings or threatened suit or proceeding or otherwise in dealing specifically therewith, shall be so much additional

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Indebtedness Hereby Secured and shall be immediately due and payable by the Mortgagor, with interest thereon at the Default Rate until paid.

(c) The foreclosure of this Mortgage on less than the whole of the Mortgaged Property shall not exhaust the right to foreclose hereunder and the lien and security interests herein granted, and the Mortgagee is specifically empowered to institute successive foreclosures hereunder until the whole of the Mortgaged Property shall be sold. If the proceeds of any such sale of less than the whole of the Mortgaged Property shall be less than the aggregate of the Indebtedness Hereby Secured and the expenses of such proceedings, this Mortgage and the lien and security interests hereof shall remain in full force and effect as to the unsold portion of the Mortgaged Property just as though no sale had been made. The Mortgagor shall never have any right to require the sale or sales of less than the whole of the Mortgaged Property, or to require the marshalling thereof. The Mortgagee shall have the right, at its sole election, to sell less than the whole of the Mortgaged Property.

(d) The Mortgagee shall have the right to become the purchaser at any sale of the Mortgaged Property hereunder and shall have the right to have credited on the amount of its bid therefor all (or any part of) of the Indebtedness Hereby Secured held by it as of the date of such sale.

(e) In case any proceeding taken by the Mortgagee on account of any failure to perform under this Mortgage shall have been discontinued or determined adversely to the Mortgagee, then in every case the Mortgagor and the Mortgagee shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Mortgagor and the Mortgagee shall continue as though no such proceeding had been taken.

(f) The Mortgagee, at its option, is hereby authorized to foreclose this Mortgage subject to the rights of any tenants of the Premises, and the failure to make any such tenants parties to any such foreclosure proceedings and to foreclose their rights will not be, nor be asserted to be by the Mortgagor, as a defense to any proceedings instituted to collect the Indebtedness Hereby Secured.

(g) In addition to any other remedies provided for hereby, the Mortgagee shall have the right of a secured party and the Mortgagor shall have the rights of a debtor under the Uniform Commercial Code with respect to the Collateral upon the occurrence of any Event of Default hereunder. Any requirements for reasonable notice under the Uniform Commercial Code shall be met if such notice is mailed, by certified United States mail or equivalent, postage prepaid, to the address of the Mortgagor set forth in Section 36 hereof at least ten (10) days before the time of sale or other disposition. Any such sale may be held as part of and in conjunction with any foreclosure sale of the other properties and rights constituting the Mortgaged Property in order that the Mortgaged Property, including the Collateral, may be sold as a single parcel if the Mortgagee elects. The Mortgagor hereby agrees that if the Mortgagee demands or attempts to take possession of the Collateral or any portion thereof in exercise of its rights and remedies hereunder, the Mortgagor will promptly turn over and deliver possession thereof to the Mortgagee, and the Mortgagor authorizes, to the extent the Mortgagor may now or hereafter lawfully grant such

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authority, the Mortgagee, its employees and agents, and potential bidders or purchasers to enter upon Premises or any other office, building or property where the Collateral or any portion thereof may at the time be located (or believed to be located) and the Mortgagee may (i) remove the same therefrom or render the same inoperable (with or without removal from such location); (ii) repair, operate, use or manage the Collateral or any portion thereof; (iii) maintain, repair or store the Collateral or any portion thereof; (iv) view, inspect and prepare the Collateral or any portion thereof for sale, lease or disposition; (v) sell, lease, dispose of or consume the same or bid thereon; or (vi) incorporate the Collateral or any portion thereof into the Land or the Improvements or Fixtures and sell, convey or transfer the same.

(h) The Mortgagor hereby agrees to indemnify, defend, protect and hold harmless the Mortgagee and its employees, officers and agents from and against any and all liabilities, claims and obligations which may be incurred, asserted or imposed upon them or any of them as a result of or in connection with any use, operation, lease or consumption of any of the Mortgaged Property, or any part thereof, or as a result of the Mortgagee seeking to obtain performance of any of the obligations due with respect to the Mortgaged Property, except from such liabilities, claims or obligations as result from the gross negligence of the Mortgagee, its employees, officers or agents.

SECTION 18 Right of Possession

(a) Upon the occurrence of any Event of Default, the Mortgagor shall, forthwith upon demand by the Mortgagee and whether or not the Indebtedness Hereby Secured shall be declared or become due, surrender possession of the Premises to the Mortgagee, and the Mortgagee shall be entitled either directly or by a receiver appointed by a court, without regard to the adequacy of the security for the Indebtedness Hereby Secured, without bringing any action or proceeding, to enter into and take possession of the Premises or any part thereof in the manner and to the extent permitted by law, together with all documents, books, records, papers, and accounts of the Mortgagor or the then owner of the Premises relating thereto, and exclude the Mortgagor, and any agents and servants thereof wholly therefrom and at its option do any or all of the following, in the name and on behalf of the Mortgagor or such owner, or in its own name, as the case may be:

(i) hold, operate, manage, and control all or any part of the Premises and conduct the business, if any, thereof, either personally or by its agents, with full power to use such measures, legal or equitable, as in its discretion may be deemed proper or necessary to enforce the payment or security of the Leases, including without limitation actions for recovery of rent, actions in forcible detainer, and actions in distress for rent, all without notice to the Mortgagor;

(ii) upon a default by a tenant, cancel or terminate any Lease or sublease of all or any part of the Premises to the extent the Mortgagor would have that right;

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(iii) extend or modify any then existing Leases and make new leases of all or any part of the Premises, which extensions, modifications, and new leases may provide for terms to expire, or for options to lessees to extend or renew terms, beyond the maturity date of the Note and the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon the Mortgagor, all persons whose interests in the Premises are subject to the lien hereof, and the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption for sale, discharge of the Indebtedness Hereby Secured, satisfaction of any foreclosure decree or issuance of any certificate of sale or deed to any such purchaser;

(iv) make all necessary or proper repairs, renewals, replacements, alterations, additions, betterments, and improvements in connection with the Premises as may seem judicious to the Mortgagee, to insure and reinsure the Premises and all risks incidental to the possession, operation and management thereof, and to receive all rents, issues, profits, revenues and other income therefrom;

(v) do all acts respecting the Mortgaged Property as the Mortgagee (or such receiver) may deem appropriate or necessary to preserve its value;

(vi) apply the rent and other income after allowing a reasonable fee for the collection thereof and for the management of the Premises, and any other funds in the possession of the Mortgagee (or such receiver), after deducting the expenses of maintenance and operation of the Premises which may be incurred by the Mortgagee, to the payment and performance of the obligations of the Mortgagor secured hereby, including without limitation the payment of Taxes, Premiums and other charges applicable to the Premises, or in reduction of the Indebtedness Hereby Secured in such order and manner as the Mortgagee may determine.

(b) Nothing herein contained shall be construed as constituting the Mortgagee a "mortgagee in possession" in the absence of the actual taking of possession of the Premises by the Mortgagee.

SECTION 19 Receiver

(a) The Mortgagee shall have the right, with the irrevocable consent of the Mortgagor hereby given and evidenced by the execution of this Mortgage, to obtain appointment of a receiver for the Mortgaged Property. Such appointment may be made at any time after the occurrence of any Event of Default and before or after foreclosure sale, without notice, without regard to solvency or insolvency of the Mortgagor at the time of application for such receiver, and without regard to the then value of the Mortgaged Property or whether the same shall be then occupied as

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a homestead or not; and the Mortgagee hereunder or any employee or agent thereof may be appointed as such receiver. Such receiver shall have the power to enter upon and take possession of the Mortgaged Property and to collect the rents, issues, profits, revenues and other income of the Premises during the pendency of any foreclosure suit or period during the continuance of any Event of Default and preceding the institution of a suit to foreclose this Mortgage, and in case of a sale and deficiency, during the full statutory period of redemption, if any, whether there be a redemption or not, as well as during any further times when the Mortgagor, except for the intervention of such receiver, would be entitled to collection of such rents, issues, profits, revenues and other income and such receiver shall have all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property during the whole of said period.

(b) The court may, from time to time, authorize the receiver to apply the net income from the Mortgaged Property (after payment of operating expenses) in payment in whole or in part of: (i) the Indebtedness Hereby Secured or the indebtedness secured by a decree foreclosing this Mortgage as a mortgage, or any tax, special assessment, or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to the sale or foreclosure hereof; (ii) the payment or performance of any other obligation secured hereby; or (iii) the deficiency in case of a sale and deficiency.

(c) The receiver so appointed by a court of competent jurisdiction shall be empowered to issue receiver's certificates for funds advanced by the Mortgagee for the purpose of protecting the value of the Mortgaged Property as security for the Indebtedness Hereby Secured. The amounts evidenced by receiver's certificates shall bear interest at the Default Rate and may be added to the cost of redemption if the owners of the Mortgaged Property, the Mortgagor, or a junior lien holder redeems at or prior to a non-judicial foreclosure sale or within the time permitted by law from a judicial foreclosure.

SECTION 20 Proceeds of Sale

The proceeds of any foreclosure of the Mortgaged Property, or any portion thereof, shall be distributed and applied in the following order of priority to the extent permitted by applicable law: First, on account of all costs and expenses incident to the foreclosure or other proceedings for the recovery thereof, including all such items as are mentioned in Section 17 hereof; Second, to the payment and performance of any other obligations of the Mortgagor secured hereby, including without limitation all other items which, under the terms hereof, constitute Indebtedness Hereby Secured in addition to that evidenced by the Note, with interest thereon at the Default Rate in such order and manner as the Mortgagee shall determine; Third, to the interest remaining unpaid upon the Note; Fourth, to the unpaid Principal Amount; Fifth, to the Prepayment Premium, if any; and Sixth, any balance remaining to the Mortgagor.

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SECTION 21 Waiver of Right of Redemption and Other Rights

To the fullest extent permitted by law, the Mortgagor hereby covenants and agrees that it will not at any time insist upon or plead, or in any manner whatsoever claim or take any advantage of, any stay, exemption or extension law or any so called "Moratorium Law" now or at any time hereafter in force, nor claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation, appraisal or marshalling of the Premises, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provisions herein contained, or to any decree, judgment or order of any court of competent jurisdiction; or after such sale or sales claim or exercise any rights under any statute now or hereafter in force to redeem the property so sold, or any part thereof, or relating to the marshalling thereof, upon foreclosure sale or other enforcement hereof. To the fullest extent permitted by law, the Mortgagor hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage, on its own behalf, on behalf of all persons claiming or having an interest (direct or indirect) by, through or under the Mortgagor and on behalf of each and every person acquiring any interest in or title to the Premises subsequent to the date hereof, it being the intent hereof that any and all such rights of redemption of the Mortgagor and of all other persons are and shall be deemed to be hereby waived to the fullest extent permitted by applicable law. To the fullest extent permitted by law, the Mortgagor agrees that it will not, by invoking or utilizing any applicable law or laws or otherwise, hinder, delay or impede the exercise of any right, power or remedy herein or otherwise granted or delegated to the Mortgagee, including without limitation the enforcement or foreclosure of this Mortgage or the delivery of possession thereof immediately after such sale to the purchaser at such sale, but will suffer and permit the exercise of every such right, power and remedy as though no such law or laws have been or will have been made or enacted; and the Mortgagor, for itself and all who may at any time claim through or under it, hereby waives to the fullest extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the property subject to the lien of this Mortgage marshalled upon any foreclosure or sale. To the fullest extent permitted by law, the Mortgagor hereby agrees that no action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and valid in an action at law upon the Note. The Mortgagor hereby fully and absolutely waives and releases all rights and claims the Mortgagor may have in and to the Premises as a homestead exemption or other exemption under and by virtue of any act of the State of Illinois now existing or which may hereafter be passed in relation thereto.

SECTION 22 Rights Cumulative

(a) Each right, power and remedy herein conferred upon the Mortgagee is cumulative and in addition to every other right, power or remedy, express or implied, now or hereafter provided by law or in equity, and each and every right, power, and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Mortgagee.

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(b) By accepting payment of any sums secured by this Mortgage after the due date thereof, by accepting performance of any of the Mortgagor's obligations hereunder after such performance is due, or by making any payment or performing any act on behalf of the Mortgagor which the Mortgagor was obligated but failed to perform or pay, the Mortgagee shall not waive, nor be deemed to have waived, its rights to require payment when due of all sums secured hereby and the due, punctual and complete performance of the Mortgagor's obligations under this Mortgage, the Other Loan Documents or the Note. No waiver or modification of any of the terms of this Mortgage shall be binding on the Mortgagee unless set forth in writing signed by the Mortgagee and any such waiver by the Mortgagee of any Event of Default by the Mortgagor under this Mortgage shall not constitute a waiver of any other Event of Default under the same or any other provision hereof. If the Mortgagee holds any additional security for any of the obligations secured hereby, it may pursue its rights or remedies with respect to such security at its option either before, contemporaneously with, or after a sale of the Mortgaged Property or any portion thereof.

(c) No act or omission by the Mortgagee shall release, discharge, modify, change or otherwise affect the liability under the Note, this Mortgage, or any other obligation of the Mortgagor, or any subsequent purchaser of the Mortgaged Property or any part thereof, or any maker, co-signer, endorser, surety or guarantor, or preclude the Mortgagee from exercising any right, power or privilege herein granted or intended to be granted in the event of any Event of Default then made or of any subsequent Event of Default, or alter the security interest or lien of this Mortgage except as expressly provided in an instrument or instruments executed by the Mortgagee. The exercise of one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy; and no delay or omission of the Mortgagee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any Event of Default or acquiescence therein. Except as otherwise specifically required herein, notice of the exercise of any right, remedy or power granted to the Mortgagee by this Mortgage is not required to be given.

SECTION 23 Successors and Assigns

(a) This Mortgage and each and every provision hereof shall be binding upon the Mortgagor and its successors and assigns (including, without limitation, each and every record owner from time to time of the Mortgaged Property or any other person having an interest therein), and shall inure to the benefit of the Mortgagee and its respective successors and assigns.

(b) All of the covenants of this Mortgage shall run with the Land and be binding on any successor owners of the Land. In the event that the ownership of the Mortgaged Property or any portion thereof becomes vested in a person or persons other than the Mortgagor, the Mortgagee may, without notice to the Mortgagor, deal with such successor or successors in interest of the Mortgagor with reference to this Mortgage and the Indebtedness Hereby Secured in the same manner as with the Mortgagor without in any way releasing or discharging the Mortgagor from

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its obligations hereunder. The Mortgagor will give immediate written notice to the Mortgagee of any conveyance, transfer or change of ownership of the Mortgaged Property, but nothing in this Section shall vary or negate the provisions of Section 15 hereof.

(c) No successor to the rights, titles, interests, duties, discretions and options of the Mortgagee hereunder have any liability for any acts or omissions of any prior mortgagee.

SECTION 24

Effect of Extensions and Amendments

If the payment of the Indebtedness Hereby Secured, or any part thereof, be extended or varied, or if any part of the security or guaranties therefor be released, all persons now or at any time hereafter liable therefor, or interested in the Mortgaged Property shall be held to assent to such extension, variation or release, and their liability, and the lien, and all provisions hereof, shall continue in full force and effect; the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding any such extension, variation or release, subject, however, to the provisions of Section 38.

SECTION 25

Execution of Separate Security Agreements, Financing Statements, Etc.; Estoppel Letter; Corrective Documents

(a) The Mortgagor will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, conveyances, notes, mortgages, security agreements, financing statements and assurances as the Mortgagee shall reasonably require for the better assuring, conveying, mortgaging, assigning and confirming unto the Mortgagee all property mortgaged hereby or property intended so to be, whether now owned by the Mortgagor or hereafter acquired. Without limitation of the foregoing, the Mortgagor will assign to the Mortgagee, upon request, as further security for the Indebtedness Hereby Secured, its interest in all agreements, contracts, licenses and permits affecting the Premises, such assignments to be made by instruments reasonably satisfactory to the Mortgagee, but no such assignment shall be construed as a consent by the Mortgagee to any agreement, contract, license or permit or to impose upon the Mortgagee any obligations with respect thereto.

(b) From time to time, the Mortgagor will furnish within ten (10) days after request from the Mortgagee a written and duly acknowledged statement of the amount due under the Note and this Mortgage and whether any alleged offsets or defenses exist against the Indebtedness Hereby Secured.

(c) Mortgagor shall, at the request of the Mortgagee, promptly correct any defect, error or omission which may be discovered in the contents of this Mortgage or in the execution or acknowledgment hereof or in any other instrument executed in connection herewith or in the execution or acknowledgment of such instrument and will execute and deliver any and all

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additional instruments as may be requested by Mortgagee, to correct such defect, error or omission.

SECTION 26

Subrogation

If any part of the Indebtedness Hereby Secured is used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any prior lien or encumbrance upon the Mortgaged Property or any part thereof, then by advancing the monies to make such payment the Mortgagee shall be subrogated to the rights of the holder thereof in and to such other lien or encumbrance and any additional security held by such holder, and shall have the benefit of the priority of the same; provided, however, nothing contained herein shall extend to the benefit of the Mortgagee any personal guarantee of the Beneficiary, or any of its partners, of any prior lien or encumbrance.

SECTION 27

Interpretation of Agreement

Should any provision of this Mortgage require interpretation or construction in any judicial, administrative, or other proceeding or circumstance, it is agreed that the parties hereto intend that the court, administrative body, or other entity interpreting or construing the same shall not apply a presumption that the provisions hereof shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent prepared the same, it being agreed that the agents of both parties hereto have fully participated in the preparation of all provisions of this Mortgage, including, without limitation, all Exhibits attached to this Mortgage.

SECTION 28

Governing Law; Invalidity of Certain Provisions

(a) This Mortgage shall be construed and enforced according to the laws of the State of Illinois, without reference to the conflicts of law principles of that State.

(b) The whole or partial invalidity, illegality or unenforceability of any provision hereof at any time, whether under the terms of then applicable law or otherwise, shall not affect (i) in the case of partial invalidity, illegality or unenforceability, the validity, legality or enforceability of such provision at such time except to the extent of such partial invalidity, illegality or unenforceability; or (ii) the validity, legality or enforceability of such provision at any other time or of any other provision hereof at that or any other time.

SECTION 29

Loan Legal

The Mortgagor declares, represents, certifies and agrees that the proceeds of the Note will be used solely for business purposes and that the loan is exempt from interest limitations pursuant

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to the provisions of 815 ILCS 205/4 and is an exempted transaction under the Truth in Lending Act, 15 U.S.C. Section 1601 et. seq.

All rights, remedies and powers provided by this Mortgage may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law, and all the provisions of this Mortgage are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Mortgage invalid or unenforceable under the provisions of any applicable law.

SECTION 30

Inspection of Premises and Records

The Mortgagee and its representatives and agents shall have the right to inspect the Premises and all books, records and documents relating thereto at all reasonable times, after giving reasonable notice to the Mortgagor, and access thereto, subject to the rights of tenants pursuant to leases, shall be permitted for that purpose. The Mortgagor shall keep and maintain full and correct books and records showing in detail the income and expenses of the Premises and, within twenty (20) days after written demand therefor by the Mortgagee to permit the Mortgagee or its agents to examine such books and records and all supporting vouchers and data at any time and from time to time on request at its offices at the address hereinafter identified or at such other location as may be mutually agreed upon.

SECTION 31

Financial Statements

Mortgagor shall furnish to Mortgagee within ninety (90) days after the end of each of Mortgagor's fiscal and/or calendar years, financial and operating statements of the Premises for such fiscal and/or calendar year prepared and certified by the Beneficiary and Guarantor, which financial and operating statements shall be prepared in accordance with sound and accepted accounting principles consistently applied, and a minimum net worth certification from the Guarantor in form and content as previously furnished to Mortgagee. Following occurrence of an Event of Default all financial statements shall be accompanied by an unqualified opinion of an independent certified public accountant, satisfactory to Mortgagee, confirming that such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied.

In the event Mortgagor does not timely furnish the above described financial reports within the time set forth above and within sixty (60) days after written request from Mortgagee, Mortgagor shall pay to Mortgagee a One Thousand Dollar (\$1,000.00) fee, which shall be increased by One Hundred Dollars (\$100.00) for each additional month Mortgagor fails to provide such reports, and if the fees are not paid by the end of the calendar year Mortgagee shall have the right to add such fees shall be added to and become a part of the Principal Amount.

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SECTION 32

Time is of the Essence

Time is of the essence of this Mortgage and the Note.

SECTION 33

Captions and Pronouns

The captions and headings of the various Sections of this Mortgage are for convenience only, and are not to be construed as confining or limiting in any way the scope or intent of the provisions hereof. Whenever the context requires or permits, the singular shall include the plural, the plural shall include the singular, and the masculine, feminine and neuter shall be freely interchangeable.

SECTION 34

Mortgagee Not a Joint Venturer or Partner

Mortgagor and Mortgagee acknowledge and agree that in no event shall Mortgagee be deemed to be a partner or joint venturer with Mortgagor or any beneficiary of Mortgagor. Without limitation of the foregoing Mortgagee shall not be deemed to be such a partner or joint venturer on account of its becoming a mortgagee in possession or exercising any rights pursuant to this Mortgage or pursuant to any other instrument or document evidencing or securing any of the Indebtedness Secured Hereby, or otherwise.

SECTION 35

Environmental Matters

Mortgagor represents, covenants and agrees as follows:

(a) Mortgagor will not use, generate, manufacture, produce, store, release, discharge, or dispose of on, under or about the Premises or transport to or from the Premises any Hazardous Substance (as hereinafter defined) or allow any other person or entity to do so in violation of any Environmental Law (as hereinafter defined).

(b) Mortgagor shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any Environmental Law or allow any other person or entity to do so.

(c) Mortgagor shall give written notice to Mortgagee within ten (10) business days of its receipt of:

(i) any proceeding or inquiry by any governmental authority whether Federal, state, or local, with respect to violation of any Environmental Law, the

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presence of any Hazardous Substance on the Premises or the migration thereof from or to other property;

(ii) all claims made or threatened by any third party against Mortgagor or the Premises relating to any loss or injury resulting from violation of any Environmental Law or the presence of any Hazardous Substance; and

(iii) Mortgagor's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Premises that could cause the Premises or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the Premises under any Environmental Law.

(d) Mortgagee shall have the right to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with violation of any Environmental Law and Mortgagor hereby agrees to pay any reasonable attorneys' fees thereby incurred by Mortgagee in connection therewith.

(e) Mortgagor shall protect, indemnify and hold harmless Mortgagee, its directors, officers, administrators, shareholders, employees, agents, contractors, attorneys, successors and assigns from and against any and all loss, damage, cost, expense or liability (including reasonable attorneys' fees and costs) directly or indirectly arising out of or attributable to violation of any Environmental Law, the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal, or presence of a Hazardous Substance on, under or about the Premises, including without limitation (i) all foreseeable consequential damages; and (ii) the costs of any required or necessary repair, cleanup, or detoxification of the Premises and the preparation and implementation of any closure, remedial or other required plans. This indemnity and covenant shall survive the reconveyance of the lien of this Mortgage, or the extinguishment of such lien by foreclosure or deed in lieu thereof. The Mortgagor shall not be liable for any spill of, or use of Hazardous Substances affecting the Premises which spill or use occurs after the Mortgagor no longer has any legal or equitable interest in the Premises.

(f) In the event that any investigation, site monitoring, containment, cleanup, removal, restoration, or other remedial work of any kind or nature (the "Remedial Work") is reasonably necessary or desirable under any applicable local, state or Federal law or regulation, any judicial order, or by any governmental or nongovernmental entity or person because of, or in connection with violation of any Environmental Law or the current or future presence, or suspected presence, release or suspected release of a Hazardous Substance in or into the air, soil, ground, water, surface water or soil vapor at, on, about, under or within the Premises, or any portion thereof, Mortgagor shall have thirty (30) days after written demand for performance thereof by Mortgagee or other party or governmental entity or agency (or such shorter period of time as may be required under any applicable law, regulation, order or agreement), to commence to perform, or cause to be commenced, and thereafter diligently prosecuted to completion, all such Remedial Work. All Remedial Work shall be performed by one or more contractors, approved in advance in writing by Mortgagee, and under the supervision of a consulting engineer approved in advance in writing

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by Mortgagee. All costs and expenses of such Remedial Work shall be paid by Mortgagor, including, without limitation, the charges of such contractor and the consulting engineer, and Mortgagee's reasonable attorneys' fees and costs incurred in connection with the monitoring or review of such Remedial Work. In the event Mortgagor shall fail to timely commence, or cause to be commenced, or fail to diligently prosecute to completion, such Remedial Work, Mortgagee may, but shall not be required to, cause such Remedial Work to be performed and all costs and expenses thereof incurred in connection therewith shall become immediately due and payable with interest thereon at the Default Rate until paid, and such amounts shall be secured by this Mortgage.

(g) Without Mortgagee's prior written consent, which shall not be unreasonably withheld, Mortgagor shall not take any remedial action in response to the violation of any Environmental Law or the presence of any Hazardous Substance on, under, or about the Premises, nor enter into any settlement agreement, consent, decree or other compromise in respect to violation of any Environmental Law or any Hazardous Substance claims. Said consent may be withheld, without limitation, if Mortgagee, in its reasonable judgment, determines that said remedial action, settlement, consent or compromise might impair the value of Mortgagee's security hereunder; provided, however, that Mortgagee's prior consent shall not be necessary in the event that the violation of any Environmental Law or the presence of Hazardous Substance in, on, under or about the Premises either poses an immediate threat to the health, safety, or welfare of any individual or is of such nature that an immediate remedial response is necessary, and it is not possible to obtain Mortgagee's consent before taking such action, provided that in such event Mortgagor shall notify Mortgagee as soon as practicable of any action so taken. Mortgagee agrees not to withhold its consent, when such consent is required hereunder, if either (i) a particular remedial action is ordered by a court of competent jurisdiction or any governmental agency having jurisdiction over the Premises; or (ii) Mortgagor establishes to the reasonable satisfaction of Mortgagee that there is no reasonable alternative to such remedial action that would result in materially less impairment of Mortgagee's security hereunder.

(h) In the Event of a Default herein or the Mortgagee receives notice of, or has reason to believe that, there is a release of a Hazardous Substance in or into the air, soil, ground water, surface water or soil vapor at, on, about, under or within the Premises, or any portion thereof, or violation of an Environmental Law, then the Mortgagee may obtain, at the cost and expense of the Mortgagor, an environmental audit of the Premises performed by an environmental firm selected by the Mortgagee.

For purposes of this Section 35, the following terms shall have the meanings as set forth below:

(A) "Environmental Laws" shall mean any Federal, state or local law, statute, ordinance, or regulation pertaining to health, industrial hygiene, or the environmental conditions on, under or about the premises, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") as amended, 42 U.S.C. Sections 9601 et seq., and the Resource Conservation and Recovery Act of 1976 ("RCRA") as amended, 42 U.S.C. Sections 6901 et seq.

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(B) The term "Hazardous Substance" shall include without limitation:

(i) those substances included within the definitions of any more or one of the terms "hazardous substances", "hazardous materials", "toxic substances", and "solid waste" in CERCLA, RCRA, and the Hazardous Materials Transportation Act, as amended, 49 U.S.C. Sections 1801 et seq., and in the regulations promulgated pursuant to said laws or under applicable Illinois law;

(ii) those substances listed in the United States Department of Transportation Table (49 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto);

(iii) such other substances, materials and wastes which are or become regulated under applicable local, state or Federal Laws, or which are classified as hazardous or toxic under Federal, state, or local laws or regulations; and

(iv) any material, waste or substance which is (a) petroleum; (b) asbestos; (c) polychlorinated biphenyls; (d) designated as a "Hazardous Substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. §§1251 et seq. (33 U.S.C. §1321), or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. §1317); (e) flammable explosives; or (f) radioactive materials.

SECTION 36 Notices

Any notice, demand or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given if and when personally delivered, or, if sent by private courier service or sent by overnight mail service, shall be deemed to have been given if and when received (unless addressee refuses to accept delivery, in which case it shall be deemed to have been given when first presented to the addressee for acceptance) or on the third (3rd) Business Day after being deposited in United States registered or certified mail, postage prepaid. Any such notice, demand or other communication shall be addressed to a party at its address set forth below or to such other address the party to receive such notice may have designated to all other parties by notice in accordance herewith:

If to the Mortgagee:

American Fidelity Assurance Company
5101 North Classen, Suite 610
Oklahoma City, Oklahoma 73118
Attn: Ms. Bonnie Carter
Investment Department

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If to Mortgagor: LaSalle Bank National Association
135 South LaSalle Street
Chicago, Illinois 60603
Attn: Land Trust Department

With copies to: 420 Academy Drive Property Partnership
c/o Mr. William A. Lederer
Suite 116
3100 Dundee Road
Northbrook, Illinois 60062

and

Martin I. Becker, Esq.
Becker & Gurian
513 Central Avenue
Highland Park, Illinois 60035

SECTION 37

Performance of Obligations Under Commitment

Prior to the execution of this Mortgage the Mortgagee has heretofore issued its Loan Commitment dated March 26, 2002, as amended, pertaining to the Premises, which has been accepted by the party named therein. Mortgagor hereby covenants and agrees to comply with all of the terms and conditions of said Commitment, and if the Mortgagor fails to comply within thirty (30) days after the giving of notice, such non-compliance shall be and constitute an Event of Default under this Mortgage and the Note.

SECTION 38

Exculpation

By acceptance of this Mortgage, the Mortgagee for itself and its successors and assigns, expressly agrees that except as specifically set forth in (a) through and including (g) below as long as the Mortgagor does not cause any delay in the Mortgagee exercising its remedies upon occurrence of an Event of Default, nothing contained herein or contained in the Note, or contained in any other document given to additionally secure the Note, shall be construed as establishing any personal liability upon the Mortgagor to pay the indebtedness evidenced hereby (the "Indebtedness"), or to perform any of the terms, covenants, conditions and agreements herein contained or contained in the Note or the Other Loan Documents (except for the Environmental Indemnity Agreement and the Agreement Assuming Personal Liability), all such personal liability being hereby expressly waived by the Mortgagee; the Mortgagee's only recourse against the Mortgagor being against the property described in this Mortgage and other property given as security for the payment of the Indebtedness (the "Other Security"), in the manner herein set forth,

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or set forth in the Note or Other Loan Documents or provided by law, and upon occurrence of an Event of Default, or upon the Maturity Date, whether by acceleration, passage of time or otherwise, the recourse of the Mortgagee shall be limited to judicial foreclosure of the Premises or the exercise of other remedies set forth herein, in the Note or in the Other Loan Documents and, subject to the limitations expressly set forth in (a) through and including (g) below, the Mortgagee shall look solely to the Premises upon foreclosure of the lien of this Mortgage and no deficiency judgment shall be instituted, sought, taken or obtained against the Mortgagor, PROVIDED THAT, NOTHING CONTAINED HEREIN shall be deemed to prejudice the rights of the Mortgagee, its successors or assigns, to recover from the Mortgagor, the Beneficiary or William A. Lederer (the "Guarantor"), pursuant to the Environmental Indemnity Agreement and/or the Agreement Assuming Personal Liability, for any loss or damage incurred by the Mortgagee:

- (a) for failure to satisfy and discharge any taxes, assessments or other similar charges which may become a lien upon any portion of the Premises and which have accrued through the date of the foreclosure sale or conveyance by deed in lieu of the Premises, whether or not such taxes, assessments or other similar charges are due and payable on such date;
- (b) as the result of fraud or misrepresentations by the Mortgagor, the Beneficiary or the Guarantor;
- (c) as the result of the misapplication of insurance of condemnation proceeds;
- (d) as a result of a material breach of any covenants, representation or warranty contained herein, in the Note or Other Loan Documents (other than for payment of the Principal Amount and interest thereon);
- (e) to remove mechanics and materialmen's liens encumbering the Premises and arising out of or occurring prior to the date of a foreclosure sale or conveyance by deed in lieu of foreclosure of the Premises;
- (f) all rents and other revenues collected from the Premises following occurrence of an Event of Default under the Note, this Mortgage or Other Loan Documents, the proceeds of which are not applied to or for the benefit of the Premises (i.e. the maintenance of the Premises, the payment of taxes on the Premises, the compliance with the terms of leases at the Premises, the payment of insurance premiums for coverage of the Premises or any similar use directly related to the upkeep, maintenance or operation of the Premises);
- (g) damages or expenses of the Mortgagee, including reasonable attorneys' fees, following the foreclosure of the lien of this Mortgage resulting from the failure of the Mortgagor to immediately surrender the Premises; and
- (h) all of Mortgagor's indemnity obligations under this Mortgage.

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Nothing contained herein or in the Note and the Other Loan Documents to the contrary notwithstanding shall be deemed to release, affect or impair the Indebtedness or the rights of the Mortgagee to enforce its remedies pursuant hereto and to the Note and the Other Loan Documents, or at law or in equity or by statute or law, including without limitation, the right to pursue any remedy for injunctive or other equitable relief.

IN WITNESS WHEREOF, the Mortgagor has caused this Mortgage to be duly executed and delivered as of the day and year first above written.

LASALLE BANK NATIONAL ASSOCIATION,
as Trustee of Trust No. 46073

By: [Signature]
Title: **V.P. PRESIDENT**

ATTEST:

Attestation not required by
By: L. Salis Bank National Association
Title: **Attorney**

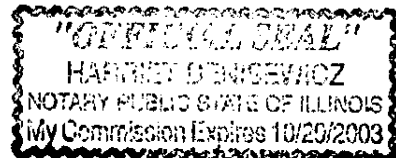
This instrument is executed by the undersigned Land Trustee, not personally but solely as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed that all the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. No personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Trustee on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee in this instrument.

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that DEBOFAH BERG, **V.P. PRESIDENT** of LASALLE BANK NATIONAL ASSOCIATION, not personally but solely as Trustee pursuant to Trust Agreement dated June 18, 1973 and known as Trust No. 46073, and N/A, N/A thereof, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such **V.P. PRESIDENT** and N/A, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, and as the free and voluntary act of said Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and seal this 19th day of June, 2002.

[Signature]
Notary Public



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EXHIBIT "A"
LEGAL DESCRIPTION OF LAND

Lot 6 and the East 20 feet of Lot 5 in Block 1 in First Resubdivision of Sky Harbor Industrial Park Unit 1 in the South 1/2 of Section 5, Township 42 North, Range 12 East of the Third Principal Meridian, in Cook County, Illinois.

Address of Property: 420 Academy Drive, Northbrook, Illinois
Permanent Index No.: 04-05-301-007 and 04-05-301-009

Property of Cook County Clerk's Office

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EXHIBIT "B" PERMITTED EXCEPTIONS

1. Real estate taxes for the second installment of 2001.
2. Declaration of Covenants recorded August 7, 1972 as Document 22005074 and as amended by Document recorded October 10, 1972 as Document 22079310 made by LaSalle National Bank, Trust No. 41933 relating to building lines, construction, type, number of buildings to be erected on the land; landscaping, storage, signs, fences, approval of plans, no noxious or offensive activity, etc.
3. Easement over the surface of the property shown within the dotted line on the plat marked Easement for the purpose of installing and maintaining all equipment necessary to serve the Subdivision and other property with telephone and electric service, together with right to overhang aerial service wires and the right of access to such wires, as created by grant to the Illinois Bell Telephone Company and the Commonwealth Edison Company and their respective successors and assigns and as shown on the Plat of Subdivision recorded April 24, 1972 as Document 21876750 and as shown on the Plat of Resubdivision recorded November 28, 1972 as Document 22134317, over the North 10 feet of the land.
4. Easement in all platted easement areas, streets, alleys, other public ways and places for the installation, maintenance, relocations, renewal and removal of gas mains and appurtenances as created by Grant recorded April 24, 1972 as Document 21876750 and as shown on the Plat of Resubdivision recorded November 28, 1972 as Document 22134317. (Affects the North 10 feet of the land.)
5. Easements for drainage and public utilities as shown on the Plat of Sky Harbor Industrial Park Unit One recorded April 24, 1972 as Document 21876750 and as shown on the Plat of the First Resubdivision of Sky Harbor Industrial Park Unit One recorded November 28, 1972 as Document 22134317 over the North 10 feet of the land.
6. Building lines over the South 30 feet of the land as shown on the Plat of Sky Harbor Industrial Park Unit One recorded April 24, 1972 as Document 21876750 and on the Plat of the First Resubdivision of Sky Harbor Industrial Park Unit One recorded November 28, 1972 as Document 22134317.

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