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Cook County Recorder 90.50



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

made by

**MIDAS REALTY CORPORATION, a Delaware Corporation
(Mortgagor)**

in favor of

**U.S. BANK NATIONAL ASSOCIATION, as Administrative Agent
(Mortgagee)**

Property Location:

821 Rivers Oaks Drive
Calumet City, Cook County
Illinois

Dated as of March 27, 2003

This Mortgage Was Prepared By and When Recorded, Return to:

Choate, Hall & Stewart
Exchange Place
53 State Street
Boston, Massachusetts 02109-2804
Attention: Frank Giso III, Esq.



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

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (hereinafter, together with any and all amendments, supplements, modifications or restatements of any kind, referred to as this "Mortgage"), is made as of March 27, 2003, by MIDAS REALTY CORPORATION, a Delaware corporation, having its principal place of business at 1300 Arlington Heights Road, Itasca, Illinois (the "Mortgagor"), in favor of U.S. BANK NATIONAL ASSOCIATION, a national banking association, having its principal place of business at Goodwin Square, 225 Asylum Street, Hartford, Connecticut 06103, ATTN: Corporate Trust, 23rd Floor, as Agent (in such capacity, together with its successors and assigns, "Mortgagee") for itself and for each of the financial institutions and their respective successors and assigns which from time to time shall be a "Noteholder" under the Loan Agreement (as hereinafter defined).

RECITALS:

WHEREAS, Midas Realty Corporation is the owner and holder of fee simple title in and to the Land (as hereinafter defined) described on Exhibit A attached hereto and made a part hereof;

WHEREAS, on the date hereof, Midas, Inc. and certain of its subsidiaries (which together with Mortgagor are hereinafter referred to each individually as a "Borrower" and collectively as the "Borrowers"), entered into that certain Note, Guaranty and Security Agreement, dated March 27, 2003 (as the same may be amended, modified, restated or otherwise supplemented and in effect from time to time, the "Loan Agreement"), with the Noteholders (as defined in the Loan Agreement) (but which Noteholders are herein called "Lenders") and Mortgagee, as administrative agent for the Lenders, pursuant to which the Lenders agreed to extend to the Borrowers certain loan facilities and other financial accommodations in the aggregate original principal amount of Forty-Five Million and NO/100 Dollars (\$45,000,000.00) (collectively, the "Loan"); and

WHEREAS, as a condition to the Lenders executing the Loan Agreement, the Lenders are requiring that Mortgagor grant to Mortgagee, as administrative agent for the Lenders, a security interest in and a first mortgage lien upon the Mortgaged Property (as hereinafter defined), to secure (i) the payment of all Obligations (as defined in the Loan Agreement), and (ii) the performance of all terms, covenants, conditions, provisions, agreements and liabilities contained in this Mortgage, the Loan Agreement and the other Loan Documents.

NOW, THEREFORE, in order to comply with the terms and conditions of the Loan Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor hereby agrees with Mortgagee as follows:

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ARTICLE I

DEFINITIONS

Section 1.01 Terms Defined Above. As used in this Mortgage, the terms defined in the introductory paragraph to this Mortgage and in the Recitals set forth above shall have the meanings respectively assigned to such terms in such paragraph and Recitals.

Section 1.02 Definitions. As used herein, the following terms shall have the following meanings:

"Affiliate" has the meaning assigned to such term in the Loan Agreement.

"Agent" has the same meaning as "Collateral Agent" in the Loan Agreement, and is also sometimes referred to herein as "administrative agent".

"Applicable UCC" means the Uniform Commercial Code as presently in effect in the State or Commonwealth where the Mortgaged Property is located.

"Bankruptcy Code" means the United States Bankruptcy Code (11 U.S.C. § 101, et seq.), as amended, and any successor statute.

"Buildings" means any and all buildings, structures, garages, utility sheds, workrooms, air conditioning towers, open parking areas and other improvements, and any and all additions, alterations, betterments or appurtenances thereto, now or at any time hereafter situated, placed or constructed upon the Land or any part thereof.

"Default" has the meaning assigned to such term in the Loan Agreement.

"Default Rate" means the interest rate charged to the Borrowers upon a Default under the Loan Agreement.

"Event of Default" has the meaning assigned to such term in Section 7.01 hereof.

"Fixtures" means all equipment, apparatus and other items of Personal Property now or hereafter acquired by Mortgagor and incorporated into the Mortgaged Property so as to constitute fixtures under the Applicable UCC.

"Governmental Authority" has the meaning assigned to such term in the Loan Agreement.

"Governmental Requirements" means any and all present and future judicial decisions, statutes, rulings, rules, regulations, permits, certificates or ordinances of any Governmental Authority in any way applicable to Mortgagor or the Mortgaged Property, including, without limitation, the ownership, use, occupancy, possession, operation, maintenance, alteration, repair or reconstruction thereof.

"Guarantor" has the meaning assigned to such term in the Loan Agreement.

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"Impositions" means any and all real estate and personal property taxes; water, gas, sewer, electricity and other utility rates and charges; charges for any easement, license or agreement maintained for the benefit of the Mortgaged Property; and any and all other taxes, charges and assessments, whether general or special, ordinary or extraordinary, foreseen or unforeseen, of any kind and nature whatsoever which at any time prior to or after the execution hereof may be assessed, levied or imposed upon the Mortgaged Property or the ownership, use, occupancy, benefit or enjoyment thereof, together with any interest, costs or penalties that may become payable in connection therewith.

"Indemnified Person" has the meaning assigned to such term in the Loan Agreement.

"Land" means the real property or interest therein described in Exhibit A attached hereto, and all rights, titles and interests appurtenant thereto.

"Leases" means any and all leases, master leases, subleases, licenses, concessions or other agreements (whether written or oral, and whether now or hereafter in effect) which grant to third Persons a possessory interest in and to, or the right to use, all or any part of the Mortgaged Property, together with all security and other deposits made in connection therewith and any guarantee of the obligations of the landlord or the tenant thereunder.

"License" has the meaning assigned to such term in Section 3.02(a) hereof.

"Lien" has the meaning assigned to such term in the Loan Agreement.

"Loan Documents" has the same meaning as "Note Documents" in the Loan Agreement.

"Loan Parties" means, collectively, all of the Borrowers and the Guarantors. The term "Loan Party" means any of the Borrowers or the Guarantors.

"Losses" means all obligations, damages, claims, causes of action, costs, fines, fees, charges, penalties, deficiencies, losses, diminutions in value, expenses (including, without limitation, court costs, reasonable fees and expenses of attorneys, accountants, consultants and other experts) and other liabilities, and, with respect to any indemnity, includes all reasonable attorneys' fees and expenses incurred by the indemnified party in connection with the enforcement and collection of such indemnity. The term "Loss" means any such Losses.

"Mortgaged Property" means all of Mortgagor's right, title, interest and estate in and to the Land, the Buildings, the Fixtures and the Personalty (as hereinafter defined), whether now owned or leased or hereafter acquired, together with:

- (i) all rights, privileges, tenements, hereditaments, rights-of-way, easements, air rights, development rights or credits, zoning rights, appendages and appurtenances in anywise appertaining thereto, and all right, title and interest of Mortgagor in and to any streets, ways, alleys, strips or gores of land adjoining the Land or any part thereof, and all right, title and interest of Mortgagor in and to all rights, royalties and profits with respect to all

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minerals, coal, oil, gas and other substances of any kind or character on or underlying the Land, together with all right, title and interest of Mortgagor in and to all water and water rights (whether riparian, appropriative or otherwise and whether or not appurtenant);

- (ii) all rights of Mortgagor (but not its obligations) under any contracts and agreements, including, without limitation, construction contracts and architectural agreements, relating to the Land, the Buildings, the Fixtures or the Personalty;
- (iii) all of Mortgagor's right, title and interest in and to all permits, licenses, franchises, certificates, authorizations, consents, approvals and other rights and privileges (each, a "Permit") obtained in connection with the Land, the Buildings, the Fixtures or the Personalty or the use or operation thereof;
- (iv) all of Mortgagor's right, title and interest in and to all plans and specifications, designs, schematics, drawings and other information, materials and matters heretofore or hereafter prepared relating to the Land, the Buildings, the Fixtures or the Personalty;
- (v) all of Mortgagor's right, title and interest in and to all proceeds arising from or by virtue of the sale, lease or other disposition of the Land, the Buildings, the Fixtures or the Personalty or any part thereof or any interest therein or from the operation thereof;
- (vi) all of Mortgagor's right, title and interest in and to all Leases now or hereafter in effect and all Rents, royalties, bonuses, issues, profits, revenues or other benefits arising from or attributable to the Land, the Buildings, the Fixtures or the Personalty, unless specifically excluded in the Loan Agreement;
- (vii) all of Mortgagor's right, title and interest in and to all betterments, additions, alterations, appurtenances, substitutions, replacements and revisions to the Land, the Buildings, the Fixtures or the Personalty and all reversions and remainders relating thereto;
- (viii) all of Mortgagor's right, title and interest in and to any awards, remuneration, settlements or compensation now or hereafter made by any Governmental Authority pertaining to the Land, the Buildings, the Fixtures or the Personalty, including, without limitation, those arising from or attributable to any vacation of, or change of grade in, any streets affecting the Land or the Buildings;
- (ix) all of Mortgagor's right, title and interest in and to all awards, payments and proceeds of conversion, whether voluntary or involuntary, of any of the Land, the Buildings, the Fixtures, the Personalty or any of the property and rights described in the foregoing clauses (i) through (viii), including, without limitation, all insurance, condemnation and tort claims, refunds of

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real estate taxes and assessments, rent claims and other obligations dischargeable in cash or cash equivalents; and

- (x) all other property and rights of Mortgagor of every kind and character relating to and/or used or to be used in connection with the foregoing, and all proceeds and products of any of the foregoing.

As used in this Mortgage, the term "Mortgaged Property" shall be expressly defined as meaning all or, where the context permits or requires, any portion of the above, and all or, where the context permits or requires, any interest therein.

"Obligations" has the meaning assigned to such term in the Loan Agreement.

"Permitted Liens" has the meaning assigned to such term in the Loan Agreement, to the extent that such definition applies to Real Property (as defined in the Loan Agreement).

"Person" has the meaning assigned to such term in the Loan Agreement.

"Personalty" means all of Mortgagor's right, title and interest in and to all furniture, furnishings, equipment, machinery, goods, general intangibles, money, insurance proceeds, contract rights, option rights, inventory, together with all refundable, returnable or reimbursable fees, deposits or other funds or evidences of credit or indebtedness deposited by or on behalf of Mortgagor with any Governmental Authority, boards, corporations, providers of utility services, public or private (including, without limitation, all refundable, returnable or reimbursable tap fees, utility deposits, commitment fees and development costs, and all other personal property of any kind or character), and including, without limitation, all such property that is now or hereafter located or to be located upon within or about the Land and the Buildings, or which are or may be used in or related to the planning, development, financing or operation of the Mortgaged Property, together with all accessories, replacements and substitutions thereto or therefor and the proceeds thereof.

"Principal Balance" has the meaning assigned to such term in Section 7.02 hereof.

"Rents" means all of the rents, revenues, income, proceeds, issues, profits, security and other types of deposits (after Mortgagor acquires title thereto), and other benefits paid or payable by parties (other than Mortgagor) for using, leasing, licensing, possessing, operating from, residing in, benefiting from or otherwise enjoying all or any part of the Land, the Buildings, the Fixtures and/or the Personalty.

Section 1.03 Terminology. Except as otherwise provided herein:

(a) references to Articles and Sections shall mean the corresponding Article or Section of this Mortgage;

(b) words used herein in the singular, where the context so permits, shall be deemed to include the plural and vice versa, and the definitions of words used in the singular herein shall apply to such words when used in the plural where the context so permits and vice versa; and

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(c) the words "herein," "hereof," "hereunder," and other words of similar import when used in this Mortgage refer to this Mortgage as a whole, and not to any particular Article or Section.

Section 1.04 Other Defined Terms. Any capitalized term used in this Mortgage and not otherwise defined herein shall have the meaning assigned to such term in the Loan Agreement.

ARTICLE II

GRANT OF LIEN AND SECURITY INTEREST

Section 2.01 Grant of Lien. To secure the full and timely payment, performance and discharge of all of the Obligations, Mortgagor hereby irrevocably GRANTS, BARGAINS, CONVEYS, ASSIGNS, SELLS, TRANSFERS, MORTGAGES and SETS OVER unto Mortgagee, with POWER OF SALE and right of entry and possession, for the use and benefit of Mortgagee, as administrative agent for the Lenders pursuant to the Loan Agreement, the real and personal property, all right, title, interest and estate in, to and under the Mortgaged Property, subject, however, to the Permitted Liens; TO HAVE AND TO HOLD the Mortgaged Property unto Mortgagee, subject to the terms and conditions of this Mortgage, with POWER OF SALE, forever, and Mortgagor does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND the title to the Mortgaged Property unto Mortgagee against every Person whomsoever lawfully claiming or to claim the same or any part thereof; provided, however, that if Mortgagor shall pay (or cause to be paid) and perform and discharge (or cause to be performed and discharged) all of the Obligations on or before the date on which the same are to be paid, performed and discharged and there exist no commitments of the Lenders which could give rise to any Obligations, then the Liens, estates and rights granted by this Mortgage shall terminate and Mortgagee shall, at Mortgagor's cost and expense, execute any and all customary documents necessary to release or discharge the liens and security interests created hereby, as detailed in Section 8.15 herein.

Section 2.02 Grant of Security Interest. This Mortgage shall be construed as a mortgage on the Land and the Buildings and it shall also constitute and serve as a "security agreement" within the meaning of, and shall constitute a first and prior security interest under, the Applicable UCC with respect to the Personalty and the Fixtures. To this end, Mortgagor by these presents does GRANT, BARGAIN, CONVEY, ASSIGN, SELL, TRANSFER and SET OVER unto Mortgagee, as administrative agent for the Lenders pursuant to the Loan Agreement, a security interest in all of Mortgagor's right, title and interest in, to and under the Personalty and the Fixtures, to secure the full and timely payment, performance and discharge of the Obligations; provided, however, that if Mortgagor shall pay (or cause to be paid) and perform and discharge (or cause to be performed and discharged) all of the Obligations on or before the date on which the same are to be paid, performed and discharged, and there exist no commitments of the Lenders which could give rise to any Obligations, then the security interest granted by this Mortgage shall terminate and Mortgagee shall, at Mortgagor's cost and expense, execute any and all customary documents necessary to release or discharge the liens and security interests created hereby, as detailed in Section 8.15 herein. Mortgagor hereby consents to Mortgagee filing and recording financing statements (and continuations thereof) with the

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appropriate filing and recording offices in order to perfect (and maintain the perfection of) the security interests granted herein.

Section 2.03 No Obligation of Mortgagee. The assignment and security interest herein granted to Mortgagee shall not be deemed or construed to constitute Mortgagee as a mortgagee-in-possession of the Mortgaged Property, obligate Mortgagee to lease the Mortgaged Property or attempt to do the same, or to take any action, incur any expense or perform or discharge any obligation, duty or liability whatsoever.

Section 2.04 Fixture Filing. Without in any manner limiting the generality of any of the other provisions of this Mortgage: (a) some portions of the goods described or to which reference is made herein are or are to become Fixtures on the Land described or to which reference is made herein or on Exhibit A attached to this Mortgage; (b) this Mortgage is to be filed of record in the real estate records as a financing statement and shall constitute a "fixture filing" for purposes of the Applicable UCC; and (c) Mortgagor is the record owner and lessee of the real estate or interests in real estate constituting the Mortgaged Property hereunder. Information concerning the security interest herein granted may be obtained at the addresses set forth on the first page hereof. The addresses of the Secured Party (Mortgagee) and of the Debtor (Mortgagor) are set forth on the first page hereof.

Section 2.05 Future Advances. It is the intention of Mortgagor and Mortgagee that this Mortgage shall secure future advances and readvances, and the Lien and security interest created by this Mortgage shall attach upon execution and delivery and have priority from the time of recording as to all such advances, whether obligatory or discretionary, until this Mortgage is released of record.

ARTICLE III

ASSIGNMENT OF LEASES AND RENTS

Section 3.01 Assignment. To secure the full and timely payment, performance and discharge of the Obligations, Mortgagor has presently, absolutely and irrevocably GRANTED, BARGAINED, CONVEYED, ASSIGNED, SOLD, TRANSFERRED and SET OVER, and by these presents does presently, absolutely and irrevocably GRANT, BARGAIN, CONVEY, ASSIGN, SELL, TRANSFER and SET OVER, unto Mortgagee, as administrative agent for the Lenders pursuant to the Loan Agreement, all of the Leases and Rents (if any), subject only to the Permitted Liens applicable thereto and the License (as hereinafter defined); TO HAVE AND TO HOLD the Leases and the Rents unto Mortgagee, forever, and Mortgagor does hereby bind itself, its successors and assigns to warrant and forever defend the title to the Leases and the Rents unto Mortgagee against every Person whomsoever lawfully claiming or to claim the same or any part thereof; provided, however, that if Mortgagor shall pay (or cause to be paid) and perform and discharge (or cause to be performed and discharged) all of the Obligations on or before the date on which the same are to be paid, performed and discharged, and there exist no commitments of the Lenders which could give rise to any Obligations, then this assignment shall terminate, and all right, title and interest conveyed pursuant to this assignment shall become vested in Mortgagor.

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Section 3.02 Revocable License.

(a) Mortgagee hereby grants to Mortgagor a revocable license (the "License"), nonexclusive with the rights of Mortgagee reserved in Sections 3.02(b), 3.04 and 3.05 hereof, to exercise and enjoy all incidences of the status of a lessor under the Leases and the Rents, including, without limitation, the right to collect, demand, sue for, attach, levy, recover and receive the Rents and to give proper receipts, releases and acquittances therefor. Mortgagor hereby agrees to receive all Rents and hold the same as a trust fund to be applied, and to apply the Rents so collected, except to the extent otherwise provided in the Loan Agreement, first to the payment, performance and discharge of the Obligations, and then to the payment of the Impositions. Thereafter, Mortgagor may use the balance of the Rents collected in any manner not inconsistent with the Loan Documents.

(b) If an Event of Default shall occur and be continuing, the License shall immediately and automatically terminate without the necessity of any action by Mortgagee or any other Person, and Mortgagee shall have the right in such event to exercise the rights and remedies provided under this Mortgage or otherwise available to Mortgagee under applicable law. If an Event of Default shall occur, then, upon demand by Mortgagee, Mortgagor shall promptly pay to Mortgagee all security deposits under the Leases and all Rents allocable to any period commencing from and after the occurrence of such Event of Default. Any Rents received hereunder by Mortgagee may be applied and disbursed to the payment, performance and discharge of the Obligations, subject to the terms of the Loan Agreement; provided, however, that, subject to any applicable requirement of law, any security deposits actually received by Mortgagee shall be held, applied and disbursed as provided in the applicable Leases.

Section 3.03 Enforcement of Leases. Unless otherwise expressly provided for in the Loan Agreement, Mortgagor shall (a) submit any and all proposed Leases (including, without limitation, subleases provided to Mortgagor for approval) to Mortgagee for approval prior to the execution (or consent) thereof; (b) duly and punctually perform and comply with any and all representations, warranties, covenants and agreements expressed as binding upon the lessor under any Lease; (c) maintain each of the Leases in full force and effect during the term thereof; (d) provide Mortgagee with concurrent notice of each notice of default sent to a tenant under a Lease, provide Mortgagee with prompt notice of each notice of default received from (or relating to) a tenant under a Lease, and otherwise promptly notify Mortgagee of any and all conditions or facts, as and when known to Mortgagor, that reasonably indicate that a material default or termination of a Lease may occur (other than by reason of the expiration of the term of such Lease); (e) appear in and defend any action or proceeding in any manner connected with any of the Leases; (f) deliver to Mortgagee true and complete copies of all Leases; and (g) deliver to Mortgagee all such further information, and execute and deliver to Mortgagee such further assurances and assignments, with respect to the Leases as Mortgagee may from time to time request. Without Mortgagee's prior written consent, Mortgagor shall not (i) do or knowingly permit to be done anything to impair the value of any of the Leases; (ii) except for security or similar deposits, collect any of the Rent more than one (1) month in advance of the time when the same becomes due under the terms of any Lease; (iii) discount any future accruing Rents; (iv) amend, modify, accept the surrender of or terminate any of the Leases; or (v) assign or grant a security interest in or to the License or any of the Leases or Rents.

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Section 3.04 Direction to Tenants. Upon the occurrence of an Event of Default, Mortgagor hereby authorizes and directs, and shall, at the direction of Mortgagee, further authorize and direct, in writing, the tenant under each Lease to pay directly to, or as directed by, Mortgagee all Rents accruing or due under its Lease, without proof to the tenant of the occurrence and continuance of such Event of Default. Mortgagor hereby authorizes the tenant under each Lease to rely upon and comply with any notice or demand from Mortgagee for payment of Rents to Mortgagee, and Mortgagor shall have no claim against any tenant for Rents paid by such tenant to Mortgagee pursuant to such notice or demand.

Section 3.05 Appointment of Attorney-in-Fact.

(a) Mortgagor hereby constitutes and appoints Mortgagee the true and lawful attorney-in-fact, coupled with an interest, of Mortgagor and Mortgagor hereby confers upon Mortgagee the right, in the name, place and stead of Mortgagor, to, upon the occurrence and during the continuance of an Event of Default, demand, sue for, attach, levy, recover and receive any of the Rents and any premium or penalty payable upon the exercise by any third Person under any Lease of a privilege of cancellation originally provided in such Lease and to give proper receipts, releases and acquittances therefor and, after deducting expenses of collection, to apply the net proceeds as provided in the Loan Agreement. Mortgagor hereby authorizes and directs any such third Person to deliver such payment to Mortgagee in accordance with this Article III, and Mortgagor hereby ratifies and confirms all that its said attorney-in-fact, the Mortgagee, shall do or cause to be done by virtue of the powers granted hereby. The foregoing appointment is irrevocable and continuing, and such rights, powers and privileges shall be exclusive in Mortgagee, and its successors and assigns, so long as any part of the Obligations remains unpaid or unperformed and undischarged.

(b) Mortgagor hereby constitutes and appoints Mortgagee the true and lawful attorney-in-fact, coupled with an interest, of Mortgagor and Mortgagor hereby confers upon Mortgagee the right (to the extent allowed by applicable law), in the name, place and stead of Mortgagor, to subject and subordinate at any time and from time to time any Lease or any part thereof to this Mortgage, or to any other mortgage, deed of trust, assignment or security agreement or to any ground lease or surface lease, with respect to all or a portion of the Mortgaged Property, or to request or require such subordination, where such reservation, option or authority was reserved to Mortgagor under any such Lease, or in any case where Mortgagor otherwise would have the right, power or privilege so to do. The foregoing appointment is irrevocable and continuing, and such rights, powers and privileges shall be exclusive in Mortgagee, and its successors and assigns, so long as any part of the Obligations remains unpaid or unperformed and undischarged. Mortgagor hereby represents and warrants that no Person other than Mortgagee is its present true and lawful attorney-in-fact, and Mortgagor hereby covenants not to grant such power to any Person other than Mortgagee for so long as any part of the Obligations remains unpaid or unperformed and undischarged.

Section 3.06 No Liability of Mortgagee. Neither the acceptance hereof nor the exercise of the rights and remedies hereunder nor any other action on the part of Mortgagee or any Person exercising the rights of Mortgagee hereunder shall be construed to (a) be an assumption by Mortgagee or any such Person or to otherwise make Mortgagee or such Person liable or responsible for the performance of any of the obligations of Mortgagor under or with

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respect to the Leases or for any Rent, security deposit or other amount delivered to Mortgagor, provided that Mortgagee or any such Person exercising the rights of Mortgagee shall be accountable for any Rents, security deposits or other amounts actually received by Mortgagee or such Person, as the case may be; or (b) obligate Mortgagee or any such Person to take any action under or with respect to the Leases or with respect to the Mortgaged Property, to incur any expense or perform or discharge any duty or obligation under or with respect to the Leases or, with respect to the Mortgaged Property, to appear in or defend any action or proceeding relating to the Leases or the Mortgaged Property, to constitute Mortgagee as a mortgagee-in-possession (unless Mortgagee actually enters and takes possession of the Mortgaged Property), or to be liable in any way for any injury or damage to Persons or property sustained by any Person in or about the Mortgaged Property, other than to the extent caused by the gross negligence or willful misconduct of Mortgagee or any Person exercising the rights of Mortgagee hereunder.

Section 3.07 Mortgagor's Indemnities. Mortgagor hereby agrees to protect, indemnify and hold harmless Mortgagee and each Indemnified Person from and against any and all Losses which Mortgagee or any such Indemnified Person may incur under or by reason of this Article III, or for any action taken by Mortgagee or any such Indemnified Person hereunder, or by reason or in defense of any and all claims and demands whatsoever which may be asserted against Mortgagee or any such Indemnified Person arising out of the Leases, including, without limitation, any claim by any third Person for credit on account of Rents paid to and received by Mortgagor, but not delivered to Mortgagee or its agents, representatives or employees, for any period under any Lease more than one (1) month in advance of the due date thereof. The foregoing indemnity shall include, in any case, such Loss as may result from the ordinary negligence of Mortgagee or any such Indemnified Person, but not any such Loss that is caused by the gross negligence or willful misconduct of Mortgagee or any such Indemnified Person. **WITHOUT LIMITATION, THE FOREGOING INDEMNITY SHALL APPLY TO MORTGAGEE AND EACH INDEMNIFIED PERSON WITH RESPECT TO LOSSES WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF ANY NEGLIGENT ACT OR OMISSION OF MORTGAGEE, SUCH INDEMNIFIED PERSON OR ANY OTHER PERSON.** In the event that Mortgagee or any Indemnified Person incurs any Losses covered by the indemnity set forth in this Section 3.07, the amount thereof, including, without limitation, reasonable attorneys' fees, shall be a demand obligation (which obligation Mortgagor hereby expressly promises to pay) owing by Mortgagor to Mortgagee and shall be subject to the provisions of Section 8.07(b) hereof. This Section 3.07 shall survive the termination of this Mortgage and the payment and performance of the Obligations.

Section 3.08 No Modification of Mortgagor's Obligations. Nothing herein contained shall modify or otherwise alter the obligation of Mortgagor to make prompt payment of all Obligations as and when the same become due, regardless of whether the Rents described in this Article III are sufficient to pay the Obligations, and the security provided to Mortgagee pursuant to this Article III shall be cumulative of all other security of any and every character now or hereafter existing to secure payment of the Obligations.

Section 3.09 Subleases. Each Lease hereafter made and each renewal of any existing Lease shall provide that, in the event of any action for the foreclosure of this Mortgage, the Lease shall not terminate or be terminable by the tenant, and the tenant shall attorn to the purchaser at the sale of the Mortgaged Property upon such foreclosure.

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Section 3.10 No Merger of Fee and Leasehold Estates. So long as any portion of the Obligations shall remain outstanding, unless Mortgagee shall otherwise consent, the fee title to the Mortgaged Property and any leasehold estate therein shall not merge but shall always be kept separate and distinct, notwithstanding the union of such estates in either party comprising the Mortgagor hereunder, Mortgagee, or in any other Person whether by purchase, operation of law or otherwise. Mortgagee reserves the right, at any time, to release from the lien of this Mortgage portions of the Mortgaged Property, including, but not limited to, any leasehold estate, with or without consideration, at Mortgagee's election, without waiving or affecting any of its rights hereunder or under the other Loan Documents and any such release shall not affect Mortgagee's rights in connection with the portion of the Mortgaged Property not so released.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Mortgagor hereby unconditionally represents and warrants to Mortgagee as follows:

Section 4.01 Title to Mortgaged Property and Lien of this Mortgage. Mortgagor has good, marketable and indefeasible fee simple title to the Land and the Buildings, and has good, marketable and indefeasible title to the Fixtures, the Personalty and the other Mortgaged Property. The Mortgaged Property is free and clear of any and all Liens, charges, encumbrances, security interests and adverse claims whatsoever, except for Permitted Liens.

Section 4.02 Taxes and Other Payments. To the best of Mortgagor's knowledge, Mortgagor has filed all federal, state, commonwealth, county, municipal and city income and other tax returns required to have been filed by it as of the date hereof and has paid all taxes and other Impositions which have become due pursuant to such returns or pursuant to any assessments or charges received by it as of the date hereof, and Mortgagor does not know of any basis for any additional assessment or charge in respect of any such taxes or other Impositions. Mortgagor has paid in full all sums owing or claimed for labor, material, supplies, personal property (whether or not forming a Fixture hereunder) and services of every kind and character used, furnished or installed in or on the Mortgaged Property that are now due and owing and no claim for same exists or will be permitted to be created, except such claims as may arise in the ordinary course of business and that are not yet past due.

Section 4.03 Power to Create Lien and Security. Mortgagor has full power and lawful authority to grant, bargain, sell, assign, transfer, mortgage and convey a Lien and security interest in all of the Mortgaged Property in the manner and form herein provided and without obtaining the authorization, approval, consent or waiver of any Person.

Section 4.04 Loan and Loan Agreements. Mortgagor has received a copy of and is fully familiar with the terms and provisions of the Loan Agreement. All representations and warranties made by Mortgagor in the Loan Agreement are incorporated herein by reference and are hereby made by Mortgagor as to itself and the Mortgaged Property as though such representations and warranties were set forth at length herein as the representations and warranties of Mortgagor.

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Section 4.05 Zoning, Building and Land Use Requirements. To the best of Mortgagor's knowledge, all of the improvements on the Land comply with all material requirements of all applicable laws and ordinances with respect to zoning, subdivision, construction, building and land use, including, without limitation, requirements with respect to parking, access and certificates of occupancy (and similar certificates). Mortgagor has not received any notice of, or other communication with respect to, an alleged violation with respect to any of the foregoing. Except as specifically disclosed on the survey or title insurance policy relating to the Mortgaged Property delivered to Mortgagee by Mortgagor, all of the Buildings lie wholly within the boundaries and building restriction lines of the Land. Except as specifically disclosed on the title insurance policy relating to the Mortgaged Property delivered to Mortgagee by Mortgagor, no improvements on adjoining properties encroach upon the Land, and no easements or other encumbrances upon the Land materially encroach upon or under any of the Buildings or any portion of the Mortgaged Property.

Section 4.06 Flood Zone. Except as specifically disclosed on the title insurance policy relating to the Mortgaged Property delivered to Mortgagee by Mortgagor, to the best of Mortgagor's knowledge, the Mortgaged Property is not located in an area identified by the Federal Emergency Management Agency ("FEMA") as having special flood hazards.

ARTICLE V

AFFIRMATIVE COVENANTS

Mortgagor hereby unconditionally covenants and agrees with Mortgagee as follows:

Section 5.01 Lien Status. Except as otherwise expressly provided in the Loan Agreement, Mortgagor shall not place, or permit to be placed, or otherwise mortgage, hypothecate or encumber the Mortgaged Property, or any portion thereof or interest therein, with any other Lien or security interest of any nature whatsoever (statutory, constitutional or contractual), other than Permitted Liens, regardless of whether such Lien or security interest is inferior to the Lien and security interest created by this Mortgage, and, if any such Lien or security interest is asserted against the Mortgaged Property, Mortgagor shall promptly, at its own cost and expense, (a) pay the underlying claim in full (except for so long as such claim is being contested by Mortgagor in good faith and in accordance with the terms of the Loan Agreement) or take such other action as may be necessary to cause the same to be bonded over or released of record and otherwise, and (b) within ten (10) business days after the date on which such Lien or security interest is so asserted, give Mortgagee notice of such Lien or security interest. Such notice shall specify who is asserting such Lien or security interest and shall detail the origin and nature of the underlying claim giving rise to such asserted Lien or security interest.

Section 5.02 Payment of Impositions. Mortgagor shall duly pay and discharge, or cause to be paid and discharged, all Impositions not later than the due date thereof, or the day on which any fine, penalty, interest or cost may be added thereto or imposed, or the day on which any Lien may be filed for the nonpayment thereof (if such day is used to determine the due date of the respective item); provided, however, that Mortgagor may, if permitted by applicable law and if such installment payment would not create or permit the filing of a Lien

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against the Mortgaged Property, pay the Impositions in installments. Notwithstanding the foregoing, Mortgagor may withhold payment of any Imposition if, in each case, the validity or amount thereof is the subject of a Permitted Protest under the Loan Agreement.

Section 5.03 Repair. Mortgagor shall keep the Mortgaged Property in reasonably good order and condition, and shall make all repairs, replacements and improvements thereof and thereto, interior and exterior, structural and non-structural, ordinary and extraordinary, which are necessary to keep the same in such order and condition and in compliance with all applicable laws. Mortgagor shall also use reasonable efforts to prevent any act or occurrence which might impair the value or usefulness of the Mortgaged Property for its intended usage.

Section 5.04 Insurance and Application of Insurance Proceeds.

(a) During the term of this Mortgage, Mortgagor, at its sole cost and expense, shall maintain or cause to be maintained all insurance on the Mortgaged Property that is required to be maintained under the Loan Agreement. In addition, Mortgagor, at its sole cost and expense, shall maintain or cause to be maintained such other insurance as may, from time to time, reasonably be required by Mortgagee in order to protect its interests in the Mortgaged Property.

(b) Except as may otherwise be expressly provided in the Loan Agreement, all such insurance policies with respect to the Mortgaged Property shall contain a standard, non-contributory mortgagee clause naming Mortgagee, and its successors and assigns, as an additional insured under all liability insurance policies, as the first mortgagee and loss payee on all property insurance policies, and as the sole loss payee on all rental loss or business interruption insurance policies. Mortgagor shall not take out separate insurance with respect to the Mortgaged Property concurrent in form or contributing in the event of loss with that required to be maintained hereunder or under the Loan Agreement unless Mortgagee is named as an additional insured thereon under a standard mortgagee clause reasonably acceptable to Mortgagee and each such policy is otherwise in form and substance reasonably acceptable to Mortgagee.

(c) In the event of the foreclosure of this Mortgage, or in the event of any transfer of title to the Mortgaged Property, or any part thereof, by foreclosure sale or by power of sale or deed in lieu of foreclosure, the purchaser of the Mortgaged Property, or such part thereof, shall succeed to all of Mortgagor's rights with respect to the Mortgaged Property, including, without limitation, any rights to unexpired, unearned or returnable insurance premiums, subject to limitations on the assignment of blanket policies, but limited to such rights as relate to the Mortgaged Property or such part thereof. If Mortgagee acquires title to the Mortgaged Property, or any part thereof, in any manner, Mortgagee shall thereupon (as between Mortgagor and Mortgagee) become the sole and absolute owner of the insurance policies with respect to the Mortgaged Property, and all insurance proceeds payable thereunder with respect to the Mortgaged Property, with the sole right to collect and retain all unearned or returnable premiums thereon with respect to the Mortgaged Property, or such part thereof, if any.

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(d) If any damage to, destruction or loss of or other casualty with respect to any of the Mortgaged Property shall occur, the proceeds of any insurance available as a result of such destruction, loss or casualty shall be disbursed and administered in accordance with the terms and provisions of the Loan Agreement.

Section 5.05 Condemnation and Application of Condemnation Proceeds.

(a) Promptly upon its obtaining knowledge of the institution or the threatened institution of any proceeding for the condemnation or other taking of the Mortgaged Property, or any portion thereof or interest therein, Mortgagor shall notify Mortgagee of such proceeding. Mortgagor shall then, if requested by Mortgagee, file or defend its claim thereunder and prosecute same with due diligence to its final disposition and shall cause any awards or settlements to be paid over to Mortgagee for disposition pursuant to the terms of this Mortgage. Mortgagee shall be entitled to participate in any such proceeding, at Mortgagor's sole cost and expense, and Mortgagor shall deliver or cause to be delivered to Mortgagee such instruments as may be requested by Mortgagee from time to time to permit such participation.

(b) If the Mortgaged Property or any part thereof is taken or diminished in value, or if a consent settlement is entered by or under threat of such proceeding, the award or settlement payable to Mortgagor by virtue of its interest in the Mortgaged Property shall be, and by these presents is, assigned, transferred and set over unto Mortgagee to be held by Mortgagee, subject to the Lien and security interest of this Mortgage, and disbursed in accordance with the provisions of the Loan Agreement or, if there is no provision contained in the Loan Agreement governing how the same is to be disbursed, then Mortgagee shall apply the entire amount thereof to the payment of the Obligations, whether or not then due and payable, in such manner and order as Mortgagee may elect. Notwithstanding the foregoing but subject to the terms of the Loan Agreement, if the proceeds arising from any single award or settlement are less than \$100,000.00 in the aggregate, then, absent a continuing Default or Event of Default, Mortgagor shall be entitled to receive such award or settlement, provided that (i) such proceeds are adequate, in Mortgagee's reasonable discretion, to restore and/or improve the remaining portion of the Mortgaged Property in a manner reasonably acceptable to Mortgagee and (ii) Mortgagee shall have determined, in the reasonable exercise of its discretion, that the remaining portion of the Mortgaged Property can be restored and/or improved (x) within six (6) months and (y) at least three (3) months prior to the Maturity Date, and (iii) after such restoration and/or improvement, the remaining portion of the Mortgaged Property will have an Appraised Value at least equal to its Appraised Value on the date hereof, in each case, as determined by Mortgagee in its reasonable discretion. In all events, Mortgagor hereby covenants and agrees to promptly commence and to diligently prosecute the restoration and/or improvement of the Mortgaged Property upon the occurrence of any condemnation or other taking affecting the Mortgaged Property, without regard to the availability or adequacy of any award or settlement, but in all events in a manner reasonably approved by Mortgagee. Notwithstanding any condemnation or other taking of any of the Mortgaged Property, Mortgagor shall continue to pay the Obligations at the time and in the manner provided for in the Loan Agreement and the other Loan Documents, until the Obligations have been paid in full. If the Mortgaged Property is sold, through foreclosure or otherwise, prior to the receipt by Mortgagee of such condemnation award or settlement, Mortgagee shall have the right, whether or not a deficiency judgment on any Loan Document shall have been sought, recovered or denied, to receive either (i) such condemnation

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award or settlement, or (ii) a portion thereof sufficient to pay the then unpaid Obligations, whichever is less.

Section 5.06 Maintenance of Rights-of-Way, Easements Licenses and Other Rights. Mortgagor shall maintain, preserve and renew all rights-of-way, easements, tenements, hereditaments, development rights and credits, zoning rights, grants, privileges, appurtenances, licenses, franchises and other rights reasonably necessary for the use or operation of the Mortgaged Property, from time to time, or otherwise relevant to the value thereof, and Mortgagor shall not, without the prior written consent of Mortgagee (which consent shall not be unreasonably withheld), initiate, join in or consent to any private restrictive covenant or other public or private restriction as to the present or future use or operation of the Mortgaged Property.

Section 5.07 Payment and Performance of Obligations. Mortgagor shall duly and punctually pay and perform all of the Obligations.

Section 5.08 Compliance with Permitted Liens and Other Obligations. Mortgagor shall fully comply with any and all obligations, restrictions and requirements that may be set forth in each and every document constituting a Permitted Lien. In addition, Mortgagor shall fully comply with each and every obligation legally imposed upon it and/or relating to the Mortgaged Property pursuant to applicable law (including, without limitation, all matters described in Section 4.05 hereof), contract or other agreement. It is hereby acknowledged that Mortgagee's consent to a Permitted Lien as of the date hereof shall in no way be deemed to constitute approval of any future Lien which may be imposed upon any portion of the Mortgaged Property, or any other enforcement action affecting Mortgagor or the Mortgaged Property, as a result of Mortgagor's failure to perform or comply with its obligations under any document constituting a Permitted Lien as of the date hereof.

Section 5.09 Additional Affirmative Covenants. All affirmative covenants made by Mortgagor in the Loan Agreement are incorporated herein by reference and are hereby made by Mortgagor as to itself and the Mortgaged Property as though such covenants were set forth at length herein as the covenants of Mortgagor.

ARTICLE VI

NEGATIVE COVENANTS

Mortgagor hereby covenants and agrees with Mortgagee that, until all of the Obligations shall have been paid or performed in full and discharged:

Section 6.01 Use Violations. Mortgagor shall not use, maintain, operate or occupy, or allow the use, maintenance, operation or occupancy of, the Mortgaged Property in any manner which (a) violates any Governmental Requirement, (b) may be dangerous unless safeguarded as required by applicable law, (c) constitutes a public or private nuisance, or (d) makes void, voidable or cancelable, or increases the premium of, any insurance then in force with respect thereto.

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Section 6.02 Waste. Mortgagor shall not commit or permit any waste with respect to the Mortgaged Property.

Section 6.03 Alterations. Except as expressly allowed under the Loan Agreement, Mortgagor shall notify Mortgagee, in writing and in advance, with respect to all proposed alterations, improvements or additions to the Mortgaged Property which are of a material nature, and Mortgagor shall not effect any material alteration, improvement or addition to the Mortgaged Property without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld.

Section 6.04 No Further Encumbrances. Except as expressly allowed under the Loan Agreement, Mortgagor shall not, without the prior written consent of Mortgagee, create, place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any mortgage, pledge, Lien (statutory, constitutional or contractual), security interest, encumbrance or charge on, or conditional sale or other title retention agreement with respect to, the Mortgaged Property, or any portion thereof or interest therein, other than the Permitted Liens, regardless of whether the same are subordinate to the Lien(s) and security interest(s) created by this Mortgage.

Section 6.05 Transfer Restrictions. Except as expressly allowed under the Loan Agreement, Mortgagor shall not sell, ~~lease~~, assign, transfer or otherwise dispose of or abandon all or any part of the Mortgaged Property (or any interest therein), except as expressly permitted by Mortgagee in writing, pursuant to this Mortgage or the Loan Agreement.

Section 6.06 Additional Negative Covenants. All negative covenants made by Mortgagor in the Loan Agreement are incorporated herein by reference and are hereby made by Mortgagor as to itself and the Mortgaged Property as though such negative covenants were set forth at length herein as the negative covenants of Mortgagor.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.01 Event of Default. The occurrence of an Event of Default (as defined in the Loan Agreement, shall constitute an "Event of Default" under this Mortgage.

Section 7.02 Acceleration. Upon the occurrence and during the continuance of any Event of Default, in addition to any other rights, powers or remedies conferred herein, or in the Loan Agreement or any of the other Loan Documents, or by operation of law, Mortgagee may, at its option, declare the then unpaid principal balance of the Loan (the "Principal Balance"), the accrued interest thereon and any other accrued but unpaid portion of the Obligations to be, and they shall then forthwith become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by Mortgagor.

Section 7.03 Foreclosure and Sale. If an Event of Default shall occur and be continuing, Mortgagee shall have the right and option to take possession of the Mortgaged Property and/or proceed with foreclosure and to sell, to the extent and in the manner permitted

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by applicable law, all or any portion of the Mortgaged Property at one or more sales, as an entirety or in parcels, at such place or places, in such manner and upon such notice as may be required by applicable law, or, in the absence of any such requirement, as Mortgagee may deem appropriate, and to make conveyance to the purchaser or purchasers. Where the Mortgaged Property is situated in more than one county, notice as above provided shall be posted and filed in all such counties (if such notices are required by applicable law), and all such Mortgaged Property may be sold in any such county and the notice of such sale shall designate the county where such Mortgaged Property is to be sold. Nothing contained in this Section 7.03 shall be construed so as to limit in any way Mortgagee's rights to sell the Mortgaged Property, or any portion thereof, by private sale if, and to the extent that, such private sale is permitted under the laws of the applicable jurisdiction or by public or private sale after entry of a judgment by any court of competent jurisdiction so ordering. If an Event of Default shall occur and be continuing, Mortgagor hereby irrevocably appoints Mortgagee to be the attorney-in-fact of Mortgagor (coupled with an interest) and in the name and on behalf of Mortgagor to execute and deliver any deeds, transfers, conveyances, assignments, assurances and notices which Mortgagor may otherwise execute and deliver, and to do and perform any other acts or things which Mortgagor may otherwise do and perform under the covenants herein contained and, generally, to use the name of Mortgagor in the exercise of any of the powers hereby conferred on Mortgagee. At any such sale (a) whether made under the power herein contained or any other legal enactment, or by virtue of any judicial proceedings or any other legal right, remedy or recourse, it shall not be necessary for Mortgagee to have physically present, or to have constructive possession of, the Mortgaged Property (Mortgagor hereby covenanting and agreeing to deliver to Mortgagee any portion of the Mortgaged Property not actually or constructively possessed by Mortgagee immediately upon demand by Mortgagee) and the title to and right of possession of any such property shall pass to the purchaser thereof as completely as if the same had been actually present and delivered to purchaser at such sale; (b) each instrument of conveyance executed by Mortgagee shall contain a general warranty of title, binding upon Mortgagor and its successors and assigns; (c) each and every recital contained in any instrument of conveyance made by Mortgagee shall conclusively establish the truth and accuracy of the matters recited therein, including, without limitation, nonpayment and/or nonperformance of the Obligations and advertisement and conduct of such sale in the manner provided herein and otherwise required by applicable law; (d) any and all prerequisites to the validity thereof shall be conclusively presumed to have been performed; (e) the receipt of Mortgagee, or of such other Person or officer making the sale, shall be a sufficient discharge to the purchaser for its purchase money and neither such purchaser nor its assigns or personal representatives shall thereafter be obligated to see to the application of such purchase money, or be in any way answerable for any loss, misapplication or non-application thereof; (f) to the fullest extent permitted by applicable law, Mortgagor shall be completely and irrevocably divested of all of its right, title, interest, estate, claim and demand whatsoever, either at law or in equity (including, without limitation, any statutory or common law right of redemption, which is hereby waived to the fullest extent permitted by applicable law), in and to the property sold in any such event, and such sale shall be a perpetual bar, both at law and in equity, against Mortgagor and any and all Persons claiming by, through or under Mortgagor; and (g) to the extent and under such circumstances as are permitted by applicable law, Mortgagee may be a purchaser at any such sale, and shall have the right, after paying or accounting for all costs of said sale or sales, to credit the amount of the then unpaid Obligations, to the amount of its bid (in the order of priority set forth in Section 7.16

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hereof) in lieu of cash payment. Each remedy provided in this instrument is distinct from and cumulative with all other rights and remedies provided hereunder or afforded by applicable law or equity, and may be exercised concurrently, independently or successively, in any order whatsoever.

Section 7.04 Mortgagee's Agents. Mortgagee may appoint or delegate any one or more Persons as agent to perform any act or acts necessary or incident to any sale held by Mortgagee, including, without limitation, the posting of notices and the conduct of sale, but in the name and on behalf of Mortgagee.

Section 7.05 Judicial Foreclosure. If any Event of Default shall occur and be continuing, Mortgagee shall have the right and power to proceed by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, or for any foreclosure hereunder or for the sale of the Mortgaged Property under the judgment or decree of any court or courts of competent jurisdiction, or for the enforcement of any other appropriate legal or equitable remedy.

Section 7.06 Receiver. If any Event of Default shall occur and be continuing, Mortgagee may apply for and obtain as a matter of right and without notice to Mortgagor, which notice is hereby expressly waived by Mortgagor, the appointment of a receiver to collect the Rents of the Mortgaged Property and to preserve the security hereof, either before or after any foreclosure sale or the sale of the Mortgaged Property under the order of a court or courts of competent jurisdiction or under executory or other legal process, without regard to the value of the Mortgaged Property as security for the amount then due to Mortgagee, or the solvency of any entity or entities, person or persons primarily or secondarily liable for the payment of such amounts; the Rents of the Mortgaged Property, in any such event, having heretofore been assigned to Mortgagee pursuant to Section 3.01 as additional security for the payment of the Obligations secured hereby. Any money advanced by Mortgagee in connection with any such receivership shall be a demand obligation (which obligation Mortgagor hereby expressly promises to pay) owing by Mortgagor to Mortgagee and shall be subject to the provisions of Section 8.07(b) hereof.

Section 7.07 Foreclosure for Installments. To the extent allowed by applicable law, Mortgagee shall also have the option to proceed with foreclosure in satisfaction of any installments of the Obligations which have not been paid when due, either through the courts or otherwise, by non-judicial power of sale in satisfaction of the matured but unpaid portion of the Obligations as if under a full foreclosure, conducting the sale as herein provided and without declaring the entire principal balance and accrued interest due. Such sale may be made subject to the unmatured portion of the Obligations, and any such sale shall not in any manner affect the unmatured portion of the Obligations, but as to such unmatured portion of the Obligations this Mortgage shall remain in full force and effect just as though no sale had been made hereunder. It is further agreed that several sales may be made hereunder without exhausting the right of sale for any unmatured part of the Obligations, it being the intent and purpose hereof to provide for a foreclosure and sale of the security for any matured portion of the Obligations without exhausting the power to foreclose and sell the Mortgaged Property for any subsequently maturing portion of the Obligations.

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Section 7.08 Separate Sales. To the extent allowed by applicable law, the Mortgaged Property may be sold in one or more parcels and in such manner and order as Mortgagee, in its sole discretion, may elect, it being expressly understood and agreed that the right of sale arising out of any Event of Default shall not be exhausted by any one or more sales.

Section 7.09 Possession of Mortgaged Property. Mortgagor agrees to the full extent that it lawfully may, that, in case one or more of the Events of Default shall have occurred and be continuing, then, and in every such case, Mortgagee shall have the right and power to enter into and upon and take possession of all or any part of the Mortgaged Property in the possession of Mortgagor, its successors or assigns, or its or their agents or servants, and may exclude Mortgagor, its successors or assigns, and all Persons claiming by, through or under Mortgagor, and its or their agents or servants wholly or partly therefrom; and, holding the same, Mortgagee may use, administer, manage, operate and control the Mortgaged Property and conduct the business thereof to the same extent as Mortgagor, its successors or assigns, might at the time do and may exercise all rights and powers of Mortgagor, in the name, place and stead of Mortgagor, or otherwise as Mortgagee shall deem best. All reasonable costs, expenses and liabilities of every character incurred by Mortgagee in administering, managing, operating and controlling the Mortgaged Property shall constitute a demand obligation (which obligation Mortgagor hereby expressly promises to pay) owing by Mortgagor to Mortgagee and shall be subject to the provisions of Section 8.07(b) hereof. If an Event of Default shall have occurred and be continuing, Mortgagor hereby irrevocably constitutes and appoints Mortgagee as Mortgagor's attorney-in-fact-in-fact (coupled with an interest) to perform such acts and execute such documents as Mortgagee, in its sole discretion, shall deem appropriate, including, without limitation, endorsement of Mortgagor's name on any instruments. Regardless of any provision of this Mortgage, the Loan Agreement or any other Loan Document, Mortgagee shall not be considered to have accepted any property other than cash or immediately available funds in satisfaction of any obligation of Mortgagor to Mortgagee, unless Mortgagee shall have given express written notice of Mortgagee's election to the contrary.

Section 7.10 Occupancy After Acceleration. In the event that there is an acceleration of the Loan and Mortgagor or Mortgagor's representatives, successors or assigns or any other Person claiming any interest in the Mortgaged Property by, through or under Mortgagor, continues to occupy or use the Mortgaged Property or any part thereof, then, to the extent permitted by applicable law, each and all shall, at Mortgagee's option, immediately become the tenant of Mortgagee (or its successor, if applicable), which tenancy shall be a tenancy from day-to-day, terminable at the will of either the landlord or tenant, at a rent to be determined by Mortgagee (which may be in excess of fair market value); provided, however, that until Mortgagee sets forth the amount of such rent, such rent shall be a fair market rental per day based upon the value of the Mortgaged Property as a whole; and such rental shall be due daily to the Mortgagee (or its successor, if applicable). To the extent permitted by applicable law, Mortgagee (or its successor, if applicable), notwithstanding any language herein to the contrary, shall have the sole option to demand immediate possession or to permit the occupants to remain as tenants at will. In the event that the tenant fails to surrender possession of said property upon demand, Mortgagee (and its successor, if applicable) shall be entitled to institute and maintain a summary action for possession of the Mortgaged Property (such as an action for forcible entry and detainer) in any court having appropriate jurisdiction.

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Section 7.11 Remedies Cumulative, Concurrent and Nonexclusive. Every right, power and remedy herein given to Mortgagee shall be cumulative and in addition to every other right, power and remedy herein specifically given or now or hereafter existing in equity, at law or by statute (including, without limitation, specifically those granted by the Applicable UCC). Each such right, power and remedy, whether specifically herein given or otherwise existing, may be exercised from time to time and so often and in such order as may be deemed expedient by Mortgagee, and the exercise, or the beginning of the exercise, of any such right, power or remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power or remedy. Mortgagee shall be entitled to collect all costs and expenses incurred in exercising its rights hereunder as set forth in Section 8.07(b) hereof. No delay or omission by Mortgagee in the exercise of any such right, power or remedy shall impair any such right, power or remedy or operate as a waiver thereof or of any other right, power or remedy then or thereafter existing.

Section 7.12 No Release of Obligations. Neither Mortgagor nor any Borrower, Guarantor or other Person now or hereafter obligated for the payment or performance of all or any part of the Obligations shall be relieved of any such obligation by reason of (a) the failure of Mortgagee to comply with any request of Mortgagor or any Borrower, Guarantor or other Person so obligated to foreclose the Lien of this Mortgage or to enforce any provision hereunder or under the Loan Agreement; (b) the release, regardless of consideration, of the Mortgaged Property or any portion thereof or interest therein or the addition of any other property to the Mortgaged Property; (c) any agreement or stipulation between any subsequent owner of the Mortgaged Property and Mortgagee extending, renewing, rearranging or in any other way modifying the terms of this Mortgage without first having obtained the consent of, given notice to or paid any consideration to Mortgagor or any Borrower, Guarantor or other Person, and in any such event Mortgagor and all Borrowers, Guarantors and such other Persons shall continue to be liable to make payment according to the terms of any such extension or modification agreement unless expressly released and discharged in writing by Mortgagee; or (d) any other act or occurrence save and except the complete payment and performance of all of the Obligations.

Section 7.13 Release of and Resort to Collateral. Mortgagee may release, regardless of consideration, any part of the Mortgaged Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the Lien or security interest created in or evidenced by this Mortgage or its stature as a first and prior Lien and security interest in and to the Mortgaged Property, and without in any way releasing or diminishing the liability of any Person liable for the payment or performance of the Obligations. Mortgagee may resort to any other security for the payment and performance of Obligations held by Mortgagee in such manner and order as Mortgagee may elect.

Section 7.14 Waiver of Redemption, Notice and Marshaling of Assets. To the fullest extent permitted by applicable law, Mortgagor hereby irrevocably and unconditionally waives and releases (a) all benefits that might accrue to Mortgagor by virtue of any present or future moratorium law or other law exempting the Mortgaged Property from attachment, levy or sale on execution or providing for any appraisal, valuation, stay of execution, exemption from civil process, redemption or extension of time for payment; (b) except for notices expressly provided for herein or in the Loan Agreement, all notices of any Event of Default or of Mortgagee's intention to accelerate maturity of the Obligations or of Mortgagee's election to

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exercise any right, remedy or recourse provided for hereunder or under the Loan Agreement; (c) any right to a marshaling of assets or a sale in inverse order of alienation; and (d) any and all conflicts with any provision of the Loan Documents. If any law referred to in this Mortgage and now in force, of which Mortgagor or its successor or successors might take advantage despite the provisions hereof, shall hereafter be repealed or cease to be in force, such law shall thereafter be deemed not to constitute any part of the contract herein contained or to preclude the operation or application of the provisions hereof.

Section 7.15 Discontinuance of Proceedings. In case Mortgagee shall have proceeded to invoke any right, remedy or recourse permitted hereunder or under the Loan Agreement and shall thereafter elect to discontinue or abandon same for any reason, Mortgagee shall have the unqualified right so to do and, in such an event, Mortgagor and Mortgagee shall be restored to their former positions with respect to the Obligations, this Mortgage, the Loan Agreement, the Mortgaged Property and otherwise, and the rights, remedies, recourses and powers of Mortgagee shall continue as if same had never been invoked.

Section 7.16 Application of Proceeds. After the occurrence and during the continuance of an Event of Default, the proceeds of any sale of and any other amounts generated by the holding, leasing, operating or other use of the Mortgaged Property shall be applied by Mortgagee (or the receiver, if one is appointed), to the extent that funds are so available therefrom, in accordance with Section 2.94 of the Loan Agreement. Mortgagor shall be liable, in all events, for any deficiency remaining.

Section 7.17 Uniform Commercial Code Remedies. Mortgagee shall have all of the rights, remedies and recourses with respect to the Personalty and the Fixtures afforded to it by the Applicable UCC, including, without limitation, the right to take possession of the Personalty and the Fixtures or any part thereof, and to take such other measures as Mortgagee may deem necessary for the care, protection and preservation of the Personalty and the Fixtures, in addition to, and not in limitation of, the other rights, remedies and recourses afforded by this Mortgage and the other Loan Documents.

Section 7.18 Indemnity. In connection with any action taken by Mortgagee pursuant to this Mortgage, neither Mortgagee nor any Indemnified Person shall be liable for any Loss sustained by Mortgagor, including, without limitation, those resulting from (a) any assertion that Mortgagee or any Indemnified Person received funds from the operations of the Mortgaged Property claimed by third Persons, or (b) any act or omission of Mortgagee or such Indemnified Person in administering, managing, operating or controlling the Mortgaged Property, including, without limitation, in either case such Loss as may result from the ordinary negligence of Mortgagee or such Indemnified Person or which may result from strict liability, whether under applicable law or otherwise, unless such Loss is caused by the gross negligence or willful misconduct of Mortgagee or such Indemnified Person, nor shall Mortgagee or such Indemnified Person be obligated to perform or discharge any obligation, duty or liability of Mortgagor. Mortgagor shall and does hereby agree to indemnify Mortgagee and each Indemnified Person for, and to hold Mortgagee and each such Indemnified Person harmless from, any and all Losses which may or might be incurred by Mortgagee or any Indemnified Person by reason of this Mortgage or the exercise of rights or remedies hereunder, including, without limitation, such Losses as may result from the ordinary negligence of Mortgagee or any

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Indemnified Person or which may result from strict liability, whether under applicable law or otherwise, unless such Loss is caused by the gross negligence or willful misconduct of Mortgagee or such Indemnified Person. **WITHOUT LIMITATION, THE FOREGOING INDEMNITY SHALL APPLY TO MORTGAGEE AND EACH INDEMNIFIED PERSON WITH RESPECT TO LOSSES WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF ANY NEGLIGENT ACT OR OMISSION OF MORTGAGEE, SUCH INDEMNIFIED PERSON OR ANY OTHER PERSON.** Should Mortgagee or any Indemnified Person make any expenditure on account of any such Losses, the amount thereof, including, without limitation, costs, expenses and reasonable attorneys' fees, shall be a demand obligation (which obligation Mortgagor hereby expressly promises to pay) owing by Mortgagor to Mortgagee and shall be subject to the provisions of Section 8.07(b) hereof. Mortgagor hereby assents to, ratifies and confirms any and all actions of Mortgagee with respect to the Mortgaged Property taken under this Mortgage. Notwithstanding the foregoing, nothing in this Section 7.18 shall be construed to indemnify the Indemnified Parties against losses arising from their own gross negligence or willful misconduct. This Section 7.18, shall survive the termination of this Mortgage and the payment and performance of the Obligations

Section 7.19 Mortgagee's Remedies Against Multiple Parcels. The Obligations hereby secured are also secured by other properties, lots, parcels or leasehold estates covered by other mortgages or deeds of trust ("Other Mortgages") within and/or outside of the state in which the Mortgaged Property is located. If this Mortgage or any of the Other Mortgages is foreclosed upon, or if judgment is entered upon any Obligations secured hereby, or if Mortgagee exercises its power of sale, execution may be made upon, or Mortgagee may exercise its power of sale against any one or more of the properties, lots or parcels, either together or separately, and at different times or at the same time, and execution sales or sales under the power of sale herein granted may likewise be conducted separately or concurrently, in each case at Mortgagee's election. No event of enforcement taking place in any other state shall (and no failure to prosecute any such other enforcement) in any way stay, preclude or bar enforcement of this Mortgage and Mortgagee may pursue any or all of Mortgagee's rights and remedies under this Mortgage to the maximum extent permitted by applicable law until the Obligations are paid and discharged in full.

ARTICLE VIII

MISCELLANEOUS

Section 8.01 Instrument Construed as Mortgage, Etc. This Mortgage may be construed as a mortgage, deed of trust, chattel mortgage, conveyance, assignment, security agreement, pledge, financing statement, hypothecation or contract, or any one or more of them, in order to fully effectuate the Liens and security interests created hereby and the purposes and agreements set forth herein.

Section 8.02 Performance at Mortgagor's Expense. The cost and expense of performing or complying with any and all of the Obligations shall be borne solely by Mortgagor, and no portion of such cost and expense shall be, in any way or to any extent, credited against any installment on or portion of the Obligations.

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Section 8.03 Survival of Obligations. Each and all of the Obligations shall survive the execution and delivery of this Mortgage and shall continue in full force and effect until all of the Obligations shall have been fully satisfied.

Section 8.04 Further Assurances. Mortgagor, upon the request of Mortgagee, shall execute, acknowledge, deliver and record and/or file such further reasonable instruments (including, without limitation, financing statements) and do such further acts as may be reasonably necessary, desirable or proper to carry out more effectively the purpose of this Mortgage and to subject to the Liens and security interests hereof any property intended by the terms hereof to be covered hereby, including, without limitation, any renewals, additions, substitutions, replacements, betterments or appurtenances to the then Mortgaged Property.

Section 8.05 Notices. All notices or other communications required or permitted to be given pursuant to this Mortgage shall be in writing and shall be considered properly given if given in the manner prescribed by Section 12 of the Loan Agreement at the addresses set forth in the first paragraph of this Mortgage, and to each of the parties to the Loan Agreement at the addresses set forth in Section 12 thereof. Any party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving of ten (10) days' notice to the other party in the manner set forth above.

Section 8.06 No Waiver. Any failure by Mortgagee to insist, or any election by Mortgagee not to insist, upon strict performance by Mortgagor of any of the terms, provisions or conditions of this Mortgage shall not be deemed to be a waiver of the same or of any other terms, provision or condition hereof, and Mortgagee shall have the right, at any time or times thereafter, to insist upon strict performance by Mortgagor of any and all of such terms, provisions and conditions. Mortgagee may, in Mortgagee's sole and absolute discretion, (i) in the case of a Default, determine whether such Default has been cured, and (ii) in the case of an Event of Default, accept or reject any proposed cure of an Event of Default. In no event shall any provision of this Mortgage or any other Loan Document which provides that Mortgagee shall have certain rights and/or remedies only during the continuance of an Event of Default be construed so as to require Mortgagee to accept a cure of any such Event of Default. Unless and until Mortgagee accepts any proposed cure of an Event of Default, such Event of Default shall be deemed to be continuing for purposes of this Mortgage and the other Loan Documents.

Section 8.07 Mortgagee's Right to Perform; Mortgagee's Expenditures.

(a) Mortgagor agrees that if Mortgagor fails to perform any act or take any action which Mortgagor is required to perform or take hereunder or under the Loan Agreement or to pay any money which Mortgagor is required to pay hereunder or under the Loan Agreement, Mortgagee may, but shall not be obligated to, perform or cause to be performed such act or take such action or pay such money.

(b) All costs and expenses incurred by Mortgagee (or any Indemnified Party), including, without limitation, reasonable attorneys fees and expenses, all monies paid by (or on behalf of) Mortgagee and the monetary value of all services performed by (or on behalf of) Mortgagee) in connection with a Default or Event of Default hereunder or under any other Loan Document, including, without limitation, the (i) the enforcement of any term or provision of this

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Mortgage or any other Loan Document, (ii) the performance by Mortgagee of any obligation of Mortgagor under this Mortgage or any other Loan Document if Mortgagee elects to so perform, in its sole and absolute discretion, and (iii) any action Mortgagee elects to take, in its sole and absolute discretion, to protect its interest in or the value of the Mortgaged Property, shall be a demand obligation owing by Mortgagor to Mortgagee, as the case may be, and to the extent any payment is made to a third Person, Mortgagee, upon making such payment, shall be subrogated to all of the rights of the Person receiving such payment. All such costs and expenses, monies and the monetary value of such services performed shall (x) bear interest at the Default Rate from the date of such incurrence, payment or performance, as applicable, until paid, and (y) constitute a portion of the Obligations and shall be secured by this Mortgage and all of the other Loan Documents. If Mortgagee shall elect to pay any Imposition or other sums due with reference to the Mortgaged Property, Mortgagee may do so in reliance on any bill, statement or assessment procured from the appropriate Governmental Authority or other issuer thereof.

Section 8.08 Successors and Assigns. All of the terms hereof shall apply to, be binding upon and inure to the benefit of the parties hereto, their successors, assigns, heirs and legal representatives, and all other Persons claiming by, through or under them; provided, however, that nothing herein shall be deemed to imply any right on behalf of Mortgagor to assign its interest in any of the Mortgaged Property except as may be expressly set forth in the Loan Agreement.

Section 8.09 Severability. This Mortgage is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws and regulations of applicable Governmental Authorities and the provisions hereof are intended to be limited to the extent necessary that they will not render this Mortgage invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law. If any provision hereof or the application thereof to any Person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Mortgage nor the application of such provision to other Persons or circumstances shall be affected thereby, but rather shall be enforced to the greatest extent permitted by applicable law.

Section 8.10 Entire Agreement and Modification. This Mortgage may not be amended, revised, waived, discharged, released or terminated orally, but only by a written instrument or instruments executed by Mortgagee and Mortgagor. Any alleged amendment, revision, waiver, discharge, release or termination which is not so documented shall not be effective as to any party.

Section 8.11 Applicable Law. **THIS MORTGAGE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE IN WHICH THE MORTGAGED PROPERTY IS LOCATED; PROVIDED, HOWEVER, THAT THE LOAN AGREEMENT IS, BY ITS TERMS, GOVERNED BY THE INTERNAL LAWS OF THE STATE OF ILLINOIS AS PROVIDED THEREIN, AND, IN THE EVENT THAT IT BECOMES NECESSARY, IN CONNECTION WITH THE ENFORCEMENT OF THIS MORTGAGE OR OTHERWISE, TO CONSTRUE OR ENFORCE THE OBLIGATIONS (WHICH OBLIGATIONS ARE SECURED BY THIS MORTGAGE), THE LOAN AGREEMENT**

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SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS.

Section 8.12 Satisfaction of Prior Encumbrance. To the extent that proceeds advanced pursuant to the Loan Agreement are used to pay indebtedness secured by any outstanding Lien, security interest, charge or prior encumbrance against the Mortgaged Property, such proceeds shall be deemed to have been advanced by Mortgagee at Mortgagor's request, and Mortgagee shall be subrogated to any and all rights, security interests and Liens owned by any owner or holder of such outstanding Liens, security interests, charges or encumbrances, irrespective of whether said Liens, security interests, charges or encumbrances are released, and it is expressly understood that, in consideration of the payment of such other indebtedness by Mortgagee, Mortgagor hereby waives and releases all demands and causes of action for offsets and payments to, upon and in connection with the said indebtedness.

Section 8.13 No Partnership. Nothing contained in this Mortgage is intended to, or shall be construed to, create to any extent and in any manner whatsoever any partnership, joint venture, or association between Mortgagor and Mortgagee, or in any way make Mortgagee a co-principal with Mortgagor with reference to the Mortgaged Property, and any inferences to the contrary are hereby expressly negated.

Section 8.14 Headings. The Article, Section and Subsection headings hereof are inserted for convenience of reference only and shall in no way alter, modify or define, or be used in construing, the text of such Articles, Sections or Subsections.

Section 8.15 Release of Mortgage. If all of the Obligations shall be paid, performed and discharged and the Loan Agreement is terminated, and there exist no commitments on the part of the Lenders which could give rise to any Obligations, Mortgagee shall forthwith cause satisfaction and discharge of this Mortgage to be entered upon the record, at the sole cost and expense of Mortgagor, and shall execute and deliver (or cause to be executed and delivered) such instruments of satisfaction and discharge as may be appropriate, such instruments to be duly acknowledged and in form for recording, at the sole cost and expense of Mortgagor.

Section 8.16 Limitation of Obligations with Respect to Mortgaged Property.

(a) Neither Mortgagee nor any Lender shall have any duty to protect or preserve, or any liability with respect to the protection and preservation of, any Mortgaged Property or to preserve rights pertaining thereto other than the duty to use reasonable care in the custody and preservation of any Mortgaged Property in its actual possession. Mortgagee shall be deemed to have exercised reasonable care in the custody and preservation of any Mortgaged Property in its possession if such Mortgaged Property is accorded treatment substantially equal to that which Mortgagee accords its own like property. Mortgagee shall be relieved of all responsibility for any Mortgaged Property in its possession upon surrendering it, or tendering surrender of it, to Mortgagor or to such other Person entitled thereto by applicable law.

(b) Nothing contained in this Mortgage shall be construed as requiring or obligating Mortgagee or any Lender, and neither Mortgagee nor any Lender shall be required or

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obligated, to (i) make any demand or inquiry as to the nature or sufficiency of any payment received by it, or present or file any claim or notice or take any action with respect to any Mortgaged Property or the monies due or to become due in connection therewith, (ii) ascertain or take action with respect to calls, conversions, exchanges, maturities, tenders, offers or other matters relating to any Mortgaged Property, whether or not Mortgagee has or is deemed to have knowledge or notice thereof, (iii) take any necessary steps to preserve rights against any prior parties with respect to any Mortgaged Property, or (iv) notify Mortgagor or any other Person of any decline in the value of any Mortgaged Property.

Section 8.17 Inconsistency with Loan Agreement. To the fullest extent possible, the terms and provisions of the Loan Agreement shall be read together with the terms and provisions of this Mortgage such that the terms and provisions of this Mortgage shall supplement, rather than conflict with, the terms and provisions of the Loan Agreement; provided, however, that, notwithstanding the foregoing, in the event any of the terms or provisions of this Mortgage conflict with any of the terms or provisions of the Loan Agreement, such that it is impractical for such terms or provisions to coexist, the terms or provisions of the Loan Agreement shall govern and control for all purposes; and, provided further, that the inclusion in this Mortgage of terms and provisions, supplemental rights or remedies in favor of a secured party but which are not addressed in the Loan Agreement shall not be deemed to be a conflict with the Loan Agreement and all such additional terms, provisions, supplemental rights or remedies contained herein shall be given full force and effect.

Section 8.18 Limitation on Interest Payable. It is the intention of the parties to conform strictly to the usury laws, whether federal or state, that are applicable to the transaction of which this Mortgage is a part. All agreements between Mortgagor and Mortgagee or any Lender, whether now existing or hereafter arising and whether oral or written, are hereby expressly limited so that in no contingency or event whatsoever shall the amount paid or agreed to be paid by Mortgagor for the use, forbearance or detention of the money to be loaned under the Loan Agreement or any other Loan Document, or for the payment or performance of any covenant or obligation contained herein or in the Loan Agreement or any other Loan Document, exceed the maximum amount permissible under applicable federal or state usury laws. If, under any circumstances, fulfillment of any such provision, at the time performance of such provision shall be due, shall involve exceeding the limit of validity prescribed by applicable law, then the obligation to be fulfilled shall be reduced to the limit of such validity. If, under any circumstances, Mortgagor shall have paid an amount of money which is deemed to be interest and such interest would exceed the highest lawful rate, such amount that would be excessive interest under applicable usury laws shall be applied to the reduction of the principal amount owing in respect of the Obligations and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal and any other amounts due hereunder, the excess shall be refunded to Mortgagor. All sums paid or agreed to be paid for the use, forbearance or detention of the principal under any extension of credit by Mortgagee shall, to the extent permitted by applicable law, and to the extent necessary to preclude exceeding the limit of validity prescribed by applicable law, be amortized, prorated, allocated and spread from the date of this Mortgage until payment in full of the Obligations so that the actual rate of interest on account of such principal amounts is uniform throughout the term hereof.

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Section 8.19 Covenants To Run With the Land. All of the grants, representations, warranties, undertakings, covenants, terms, provisions and conditions in this Mortgage shall run with the Land and shall apply to and bind the successors and assigns of Mortgagor. If there shall be more than one mortgagor, the covenants, representations and warranties made herein shall be deemed to be joint and several.

Section 8.20 Last Dollar. So long as the balance of the Obligations exceeds the portion of the Obligations secured by this Mortgage, no payment on account of the Obligations shall be deemed to be applied against or to reduce the portion of the Obligations secured by this Mortgage, but shall, instead, be deemed to be applied against only such portions of the Obligations that are not secured by this Mortgage.

Section 8.21 Defense of Claims. Mortgagor shall promptly notify Mortgagee in writing of the commencement of any legal proceedings affecting Mortgagor's title to the Mortgaged Property or Mortgagee's Lien on or security interest in the Mortgaged Property, or any part thereof, and shall take all such action, employing attorneys reasonably agreeable to Mortgagee, as may be necessary to preserve Mortgagor's and Mortgagee's rights affected thereby. If Mortgagor fails or refuses to adequately or vigorously, in the reasonable judgment of Mortgagee, defend Mortgagor's or Mortgagee's rights to the Mortgaged Property, Mortgagee may take such action on behalf of and in the name of Mortgagor and at Mortgagor's expense. Moreover, Mortgagee may take (or cause its agents to take) such independent action in connection therewith as they may in their discretion deem proper, including, without limitation, the right to employ independent counsel and to intervene in any suit affecting the Mortgaged Property. All costs, expenses and reasonable attorneys' fees incurred by Mortgagee (or its agents) pursuant to this Section 8.21 or in connection with the defense by Mortgagee of any claims, demands or litigation relating to Mortgagor, the Mortgaged Property or the transactions contemplated in this Mortgage shall be paid by Mortgagor on demand, plus interest thereon from the date of the advance by Mortgagee until reimbursement of Mortgagee at the Default Rate.

Section 8.22 Exculpation Provisions. EACH OF THE PARTIES HERETO SPECIFICALLY AGREES THAT IT HAS A DUTY TO READ THIS MORTGAGE; AND AGREES THAT IT IS CHARGED WITH NOTICE AND KNOWLEDGE OF THE TERMS OF THIS MORTGAGE; THAT IT HAS IN FACT READ THIS MORTGAGE AND IS FULLY INFORMED AND HAS FULL NOTICE AND KNOWLEDGE OF THE TERMS, CONDITIONS AND EFFECTS OF THIS MORTGAGE; THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL OF ITS CHOICE THROUGHOUT THE NEGOTIATIONS PRECEDING ITS EXECUTION OF THIS MORTGAGE AND HAS RECEIVED THE ADVICE OF ITS ATTORNEY IN ENTERING INTO THIS MORTGAGE; AND THAT IT RECOGNIZES THAT CERTAIN OF THE TERMS OF THIS MORTGAGE RESULT IN ONE PARTY ASSUMING THE LIABILITY INHERENT IN SOME ASPECTS OF THE TRANSACTION AND RELIEVING THE OTHER PARTY OF ITS RESPONSIBILITY FOR SUCH LIABILITY. EACH PARTY HERETO AGREES AND COVENANTS THAT IT WILL NOT CONTEST THE VALIDITY OR ENFORCEABILITY OF ANY EXCULPATORY PROVISION OF THIS MORTGAGE ON THE BASIS THAT THE PARTY HAD NO NOTICE OR KNOWLEDGE OF SUCH PROVISION OR THAT THE PROVISION IS NOT "CONSPICUOUS."

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Section 8.23 No Merger of Estates. To the extent allowed by applicable law, so long as any part of the Obligations remain unpaid, unperformed or undischarged, the fee, easement and leasehold estates to the Mortgaged Property shall not merge but rather shall remain separate and distinct, notwithstanding the union of such estates either in Mortgagor, Mortgagee, any lessee, any third-party purchaser or otherwise.

Section 8.24 Intentionally Deleted.

Section 8.25 Counterparts. This Mortgage may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which, taken together, shall be deemed to constitute one single instrument, except that, to facilitate recordation, portions of Exhibit A hereto which describe properties situated in counties other than the county in which this Mortgage is to be recorded may be omitted.

Section 8.26 State Specific Rider. The provisions of the State Specific Rider attached hereto as Exhibit B (the "Rider") are hereby incorporated herein by reference. In the event that any provision of this Mortgage shall be inconsistent with any provision contained in the attached Rider, the provisions of the attached Rider shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Rider.

Section 8.27 Assignment by Mortgagee. Mortgagee shall have the right to assign or transfer its rights under this Mortgage. Any assignee or transferee shall be entitled to all of the benefits afforded Mortgagee under this Mortgage.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

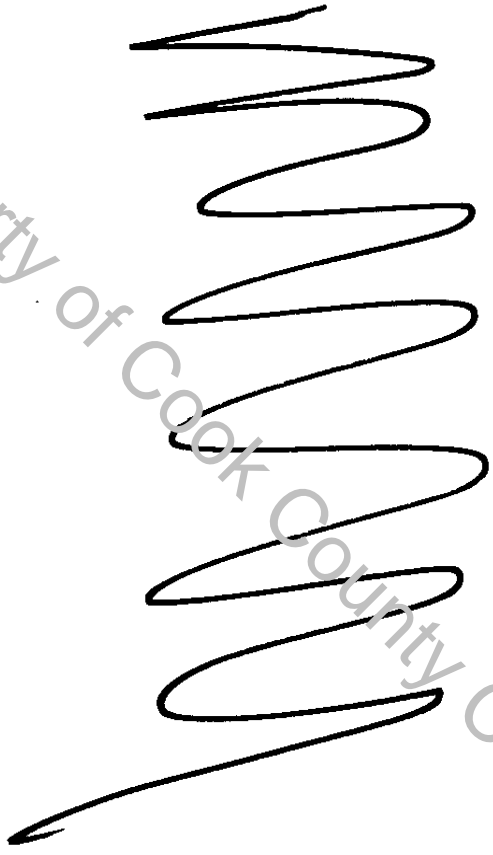
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EXHIBIT A

LEGAL DESCRIPTION

Property of Cook County Clerk's Office



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Site No. 64
821 River Oaks Drive
Calumet City, Illinois

EXHIBIT A

LEGAL DESCRIPTION

LOTS 1 AND 2 (EXCEPT THAT PART OF SAID LOTS DEDICATED FOR HIGHWAY) IN SCHRUM'S VILLAGE, BEING A SUBDIVISION OF THE NORTH 406 FEET OF THE EAST 540 FEET OF THE WEST 1135.98 FEET OF THE NORTHEAST FRACTIONAL QUARTER OF SECTION 19, TOWNSHIP 36 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 30-19-201-008
30-19-201-009

Property of Cook County Clerk's Office

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EXHIBIT B

STATE SPECIFIC RIDER FOR STATE OF ILLINOIS

This Illinois Specific Rider (this "Illinois Rider"), is attached to and forms a part of this Mortgage. Any capitalized term used in this Illinois Rider shall have the meaning given to such term in the Mortgage, unless otherwise expressly defined in this Illinois Rider.

1. The terms "WARRANTS, DEMISES, CONVEYS" shall be inserted in the first sentence of Section 2.01 of the Mortgage, between the words "MORTGAGES" and "and SETS OVER"
2. The latest Maturity Date of the Obligations is ~~September 30, 2004.~~
October 3
3. Intentionally omitted.
4. Notwithstanding the provisions of Section 7.03 of this Mortgage, any foreclosure of all or any portion of the lien of this Mortgage shall be in accordance with the Illinois Mortgage Foreclosure Act, 735 ILCS 5/15-1101 et seq., as from time to time amended (the "Act").
5. The following shall be added to the end of Section 7.14: "Mortgagor acknowledges that the transaction of which this Mortgage is a part is a transaction which does not include either agricultural real estate (as defined in Section 15-1201 of the Act) or residential real estate (as defined in Section 15-1219 of the Act), and to the fullest extent permitted by law, Mortgagor hereby voluntarily and knowingly waives its rights to reinstatement and redemption as allowed under Sections 15-1601(b) and 15-1602 of the Act, and to the full extent permitted by law, the benefits of all present and future valuation, appraisal, homestead, exemption, stay, redemption and moratorium law, under any state or federal law."
6. Subordination of Property Manager's Lien and Real Estate Broker's Lien. Any property management agreement for the Mortgaged Property entered into hereafter by Mortgagor with a property manager shall contain a "no lien" provision whereby the property manager waives and releases any and all mechanics' lien rights that the property manager may have pursuant to the Illinois Mechanics Lien Act, 770 ILCS 60/1 et seq. Such property management agreement or a short form thereof shall, at Mortgagee's request, be recorded with the Recorder of Deeds of the county where the Mortgaged Property is located. In addition, Mortgagor shall cause the property manager to enter into a subordination of management agreement with Mortgagee, in recordable form, whereby the property manager subordinates present and future lien rights and those of any party claiming by, through or under the property manager, to the lien of this Mortgage. Any agreement entered into hereafter by Mortgagor or any agent of Mortgagor with any "broker" (as defined in the Real Estate License Act of 1983, 225 ILCS 455/1 et seq.) that is an affiliate of Mortgagor for the purpose of selling, leasing or otherwise conveying an interest in the Mortgaged Property shall contain a "no lien" provision whereby such broker waives and releases any and all lien rights that such broker or anyone claiming by, through or under such broker may

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have pursuant to the Commercial Broker Lien Act, 770 ILCS 15/1 et seq. Mortgagor shall cause such broker to enter into a subordination agreement with Mortgagee, in recordable form, whereby such broker, on its own behalf and on behalf of any party claiming by, through or under such broker, subordinates present and future lien rights to the lien of this Mortgage.

Property of Cook County Clerk's Office

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