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This instrument was prepared
by (and after recordation
should be returned to):

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Cook County Recorder 117.00



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MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FINANCING STATEMENT

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FINANCING STATEMENT (the "**Mortgage**") is made as of May 17, 2000 by ENTERPRISE DRIVE, L.L.C., a Delaware limited liability company, having its office c/o Prime Group Realty Trust, 77 West Wacker Drive, Suite 3900, Chicago, Illinois 60601 (herein, together with its successors and assigns, "**Mortgagor**"), in favor of LASALLE BANK NATIONAL ASSOCIATION, a national banking association, having an office at 135 South LaSalle Street, Chicago, Illinois 60603 (herein, together with its successors and assigns, "**Mortgagee**").

RECITALS:

A. **Loan.** Mortgagor owns the land commonly known as 2205-2255 Enterprise Drive, Westchester, Illinois and more particularly described on Exhibit A attached hereto (the "Land") and the Improvements (as hereinafter defined) located thereon. Lender has agreed to provide funds to Mortgagor for the refinancing of the permanent loan relating to the Land and Improvements, by making a loan to the Mortgagor in the principal amount of Eight Million Ninety Thousand Dollars (\$8,090,000) (the "Loan").

B. **Note, Principal and Interest.** To evidence the Loan, Mortgagor has executed and delivered to Mortgagee a certain Promissory Note dated the date hereof (which note, together with any and all amendments or supplements thereto, extensions thereof and notes which may be taken in whole or partial renewal or substitution thereof or which may evidence any of the indebtedness secured thereby, shall be called the "Note"), in the original principal amount of Eight Million Ninety Thousand Dollars (\$8,090,000) (the "Loan Amount"), payable to the order of Mortgagee at Chicago, Illinois. The Loan Amount is due and payable, together with all accrued and unpaid interest, in full, if not paid sooner on or before May 31, 2005 (the "Maturity Date"), subject to acceleration as provided in the Note, this Mortgage and the other Loan Documents (as hereinafter defined). The Note bears interest on the principal amount outstanding as set forth therein; all principal of and interest on the Note is payable in lawful money of the United States of America at the office of Mortgagee in Chicago, Illinois, or at

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such other place as the holder thereof may from time to time appoint in writing. Mortgagor is or will become justly indebted to Mortgagee in the Loan Amount in accordance with the terms of the Note, this Mortgage and the other Loan Documents.

I. GRANT

NOW THEREFORE, in consideration of Ten Dollars (\$10.00) and for and in consideration of Mortgagee's making the Loan to Mortgagor, and in consideration of the various agreements and covenants contained herein, in the Note, and the other Loan Documents, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged by Mortgagor, and in order to secure the full, timely and proper payment and performance of each and every one of the Liabilities (as hereinafter defined),

MORTGAGOR HEREBY MORTGAGES, CONVEYS, GRANTS, BARGAINS, SELLS, TRANSFERS, ASSIGNS AND WARRANTS TO MORTGAGEE AND ITS SUCCESSORS AND ASSIGNS FOREVER, AND GRANTS TO MORTGAGEE A CONTINUING LIEN UPON AND SECURITY INTEREST IN AND TO, ALL OF THE COLLATERAL (AS HEREINAFTER DEFINED), WHETHER NOW OWNED OR HELD OR HEREAFTER ACQUIRED,

TO HAVE AND TO HOLD the Collateral unto Mortgagee and its successors and assigns forever, for the purposes and uses herein set forth. All of the Collateral, whether real, personal, or mixed, whether affixed or annexed or not and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared to form a part and parcel of the Premises (as hereinafter defined) and to be appropriated to the use of the Premises, and shall be for the purposes of this Mortgage deemed to be real estate and conveyed and mortgaged hereby. As to any of the Collateral which (notwithstanding the aforesaid declaration and agreement) does not so form a part and parcel of the Premises, this Mortgage is hereby deemed to be, as well, a Security Agreement and Financing Statement under the Uniform Commercial Code as the same may be in effect from time to time in the State of Illinois (hereinafter referred to as the "UCC") for the purpose of creating hereby a security interest in such property, which Mortgagor hereby grants to Mortgagee as Secured Party (as said term is defined in the UCC), securing the Liabilities (as hereinafter defined), and Mortgagee shall have in addition to its rights and remedies hereunder all rights and remedies of a Secured Party under the UCC. As to any of the Collateral which the UCC classifies as fixtures, this instrument shall constitute a fixture filing and financing statement under the UCC.

Mortgagor hereby covenants with and warrants to Mortgagee and with the purchaser at any foreclosure sale that: (i) at the execution and delivery hereof Mortgagor is well seized of the Premises, and of a good, indefeasible estate therein, in fee simple, subject to the Permitted Exceptions (as hereinafter defined); (ii) the Collateral is free from all liens, claims and encumbrances whatsoever, and any claim of any other individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, institution, entity or governmental entity (hereinafter, any one of the foregoing is referred to

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as a "Person") thereto, other than the security interest granted to Mortgagee herein and pursuant to the Loan Documents and the encumbrances set forth in Exhibit B attached hereto and made a part hereof (the "Permitted Exceptions"); (iii) Mortgagor has good and lawful right to sell, mortgage and convey the Collateral; and (iv) Mortgagor and its successors and assigns will forever warrant and defend the Collateral against all claims and demands whatsoever with the exception of the Permitted Exceptions.

1. DEFINITIONS

1.1 Loan Documents.

As used in this Mortgage, the term "Loan Documents" shall mean this Mortgage, the Note, that certain Guaranty of Payment of even date herewith from Prime Group Realty, LP, a Delaware limited partnership (the "Guarantor"), in favor of Mortgagee, that certain Assignment of Rents and Leases of even date herewith from Mortgagor in favor of Mortgagee, that certain Collateral Pledge of Expense Reserve Account and Disbursement Agreement of even date herewith by and between Mortgagor and Mortgagee, that certain Environmental Indemnification Agreement of even date herewith from Mortgagor and Guarantor in favor of Mortgagee (the "Environmental Indemnification Agreement"), those certain UCC Financing Statements of even date herewith from Mortgagor, as debtor, in favor of Mortgagee, as secured party, and any other agreements, documents, writings and instruments now or hereafter executed by Mortgagor that evidence or secure the Loan, whether pursuant to the terms of this Mortgage or otherwise, in connection with the Note or as security therefor, or for the purpose of supplementing or amending all or any of the foregoing, all of which, as the same may be amended, modified or supplemented from time to time.

1.2 Liabilities.

As used in this Mortgage, the term "Liabilities" means and includes all of the following: (i) the principal of, interest on and any and all other amounts which may at any time be or become due or owing under the Note; (ii) all indebtedness of any kind arising under, and all amounts (including, without limitation, future advances) of any kind which may at any time be or become due or owing to Mortgagee under or with respect to, the Note, this Mortgage or any of the other Loan Documents; (iii) all of the covenants, obligations and agreements (and the truth of all representations and warranties) of Mortgagor in, under or pursuant to the Note, this Mortgage, and all of the other Loan Documents; (iv) any and all advances, costs or expenses paid or incurred by Mortgagee to protect any or all of the Collateral, perform any obligation of Mortgagor hereunder or under any of the Loan Documents or collect any amount owing to Mortgagee which is secured hereby; (v) interest on all of the foregoing; and (v) all costs of enforcement and collection of the Note, this Mortgage, any of the other Loan Documents, and the Liabilities; provided, however, notwithstanding anything to the contrary herein, the total aggregate indebtedness and Liabilities secured by this Mortgage shall not exceed an amount equal to two (2) times the Loan Amount.

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1.3. Collateral.

For purposes of this Mortgage, the term “**Collateral**” means and includes all of the following, whether now owned, or hereafter acquired by Mortgagor:

(i) **Real Estate.** All of the Land, together with all and singular the tenements, rights, easements, hereditaments, rights of way, privileges, liberties, appendages and appurtenances now or hereafter belonging or in anywise appertaining to the Land (including, without limitation, all rights relating to storm and sanitary sewer, water, gas, electric, railway and telephone services); all development rights, air rights, water, water rights, water stock, gas, oil, minerals, coal and other substances of any kind or character underlying or relating to the Land; all estate, claim, demand, right, title or interest of Mortgagor in and to any street, road, highway, or alley (vacated or otherwise) adjoining the Land or any part thereof; all strips and gores belonging, adjacent or pertaining to the Land; and any after-acquired title to any of the foregoing (all of the foregoing is herein referred to collectively as the “**Real Estate**”);

(ii) **Improvements and Fixtures.** All buildings, structures, replacements, furnishings, fixtures, fittings and other improvements and property of every kind and character now or hereafter located or erected on the Real Estate and owned or purported to be owned by Mortgagor, together with all building or construction materials, equipment, appliances, machinery, plant equipment, fittings, apparatus, fixtures and other articles of any kind or nature whatsoever or hereafter found on, affixed to or attached to the Real Estate and owned or purported to be owned by Mortgagor, including (without limitation) all motors, boilers, engines and devices for the operation of pumps, and all heating, electrical, lighting, power, plumbing, air conditioning, refrigeration and ventilation equipment (all of the foregoing is herein referred to collectively as the “**Improvements**”);

(iii) **Personal Property.** All furniture, furnishings, equipment (including, without limitation, telephone and other communications equipment, window cleaning, building cleaning, monitoring, garbage, air conditioning, pest control and other equipment) and all other tangible property of any kind or character now or hereafter owned or purported to be owned by Mortgagor and used or useful in connection with the Real Estate, regardless of whether located on the Real Estate or located elsewhere including, without limitation, all rights of Mortgagor under any lease of furniture, furnishings, fixtures and other items of personal property at any time during the term of such lease, and all rights under and to all payments and deposits required by the provisions of Section 2.20 hereof (all of the foregoing is herein referred to collectively as the “**Goods**”);

(iv) **Intangibles.** All goodwill, trademarks, trade names, option rights, purchase contracts, books and records and general intangibles of Mortgagor relating to the Real Estate or the Improvements and all accounts, contract rights, instruments, chattel paper and other rights of Mortgagor for payment of money to it for property sold or lent by it, for services rendered by it, for money lent by it, or for advances or deposits made by it, and any other

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intangible property of Mortgagor related to the Real Estate or the Improvements (all of the foregoing are herein referred to collectively as the “**Intangibles**”);

(v) **Rents.** All rents, issues, profits, royalties, avails, income and other benefits derived or owned by Mortgagor directly or indirectly from the Real Estate or the Improvements (all of the foregoing are herein collectively called the “**Rents**”);

(vi) **Leases.** All rights of Mortgagor under all leases, licenses (to the extent assignable), occupancy agreements, concessions or other arrangements, whether written or oral, whether now existing or entered into at any time hereafter, whereby any Person agrees to pay money to Mortgagor or any consideration for the use, possession or occupancy of, or the conducting of any business on, or any estate in, the Real Estate or the Improvements or any part thereof, and all rents, income, profits, benefits, avails, advantages and claims against guarantors under any thereof (all of the foregoing is herein referred to collectively as the “**Leases**”);

(vii) **Plans.** All rights of Mortgagor to plans and specifications, designs, drawings and other matters prepared in connection with the Real Estate (all of the foregoing is herein called the “**Plans**”);

(viii) **Contracts for Construction or Services.** All rights of Mortgagor, if any, under any contracts executed by Mortgagor with any provider of goods or services for or in connection with any construction undertaken on, or services performed or to be performed in connection with, the Real Estate or the Improvements, including any architect's contract (all of the foregoing is herein referred to collectively as the “**Contracts for Service**”);

(ix) **Contracts for Sale or Financing.** All rights of Mortgagor, if any, as seller or borrower under any agreement, contract, understanding or arrangement pursuant to which Mortgagor has obtained the agreement of any Person to pay or disburse any money for Mortgagor's sale (or borrowing on the security) of the Collateral or any part thereof (all of the foregoing is herein referred to collectively as the “**Contracts for Sale**”), and

(x) **Management Agreements.** All rights of Mortgagor, if any, under any contracts executed by Mortgagor with any Person employed as a manager of the Premises or for services in connection with the management of the Premises (all of the foregoing herein referred to collectively as the “**Management Agreements**”); and

(xi) **Other Property.** All other property or rights of Mortgagor of any kind or character related to the Real Estate or the Improvements and all proceeds (including insurance and condemnation proceeds) and products of any of the foregoing, including all proceeds of the conversion, whether voluntary or involuntary, of any of the foregoing into cash or liquidated claims (all of the Real Estate and the Improvements, and any other property constituting a portion of the Collateral which is real estate under applicable law, is sometimes referred to collectively herein as the “**Premises**”).

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II. COVENANTS AND AGREEMENTS OF MORTGAGOR

Further to secure the full, timely and proper payment and performance of the Liabilities, Mortgagor hereby warrants to and covenants and agrees with Mortgagee as follows:

2.1. Payment of Liabilities.

Mortgagor agrees that it will pay, timely and in the manner required in the appropriate documents or instruments, the principal of and interest on the Note, and all other Liabilities (including fees and charges).

2.2. Payment of Taxes.

Mortgagor will pay when due all taxes and assessments, general or special, and any and all levies, claims, charges, expenses and liens, ordinary or extraordinary, governmental or non-governmental, statutory or otherwise, due or to become due, that may be levied, assessed, made, imposed or charged on or against the Collateral or any property used in connection therewith, and will pay before due any tax or other charge on the interest or estate in lands created or represented by this Mortgage or by any of the other Loan Documents, whether levied against Mortgagor or Mortgagee or otherwise, and will submit to Mortgagee upon request all receipts showing payment of all of such taxes, assessments and charges.

2.3. Maintenance, Repair and Restoration of Improvements; Payment of Prior Liens.

Mortgagor shall: (i) promptly repair, restore or rebuild the Improvements, if any, which may become damaged or be destroyed; (ii) keep the Premises in good condition and repair, without waste, and free from mechanics' liens or other liens or claims for lien not expressly subordinated to the lien hereof or bonded or insured over to the satisfaction of Mortgagee, unless being contested in the manner provided in Section 2.22 of this Mortgage; (iii) pay when due any indebtedness which may be secured by a lien or charge on the Premises superior to the lien hereof, and upon request, exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee; (iv) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the Premises and the use thereof; (v) make no material alterations in the Premises except as provided herein and in the other Loan Documents; (vi) suffer or permit no change in the general nature of the occupancy of the Premises, without Mortgagee's written consent; and (vii) initiate or acquiesce in no zoning variation or reclassification, without Mortgagee's written consent.

2.4. Insurance.

Mortgagor shall keep the Premises, the Goods, and all other Collateral insured against loss or damage by fire and such other hazards as may be reasonably requested by Mortgagee or required by the Loan Documents, including, but not limited to, all-risk property insurance covering, without limitation, fire, extended coverage, vandalism and malicious mischief, in

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an amount that is not less than the replacement cost of the Improvements and Goods without consideration for depreciation, with an agreed upon value endorsement, insurance against business interruption and loss of rentals for such occurrences and in such amounts as Mortgagee may require; insurance against flood if required by the Federal Disaster Protection Act of 1973, as amended, and regulations issued thereunder; comprehensive general public liability insurance, in an amount satisfactory to Mortgagee; if applicable, during construction, builder's completed value risk insurance against "all risks of physical loss" (including collapse and transit coverage); and all other insurance commonly or, in the judgment of Mortgagee, prudently maintained by those whose business and use of real estate is similar to that of Mortgagor. Mortgagor shall further provide Mortgagee with insurance certificates evidencing that any contractor secured by Mortgagor to perform general contracting work on the Premises has, in full force and effect, liability and worker's compensation insurance. All policies of insurance to be furnished hereunder shall contain the provisions and be in the forms, companies, and amounts set forth in Exhibit C attached hereto and made a part hereof. Mortgagor shall deliver all policies, including additional and renewal policies, to Mortgagee, and, in the case of insurance about to expire, shall deliver renewal policies not less than ten (10) days prior to their respective dates of expiration. Mortgagor shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained hereunder unless Mortgagee is included thereon under a standard mortgagee clause acceptable to Mortgagee. Mortgagor shall immediately notify Mortgagee whenever any such separate insurance is taken out and shall promptly deliver to Mortgagee the policy or policies of such insurance.

2.5. Adjustment of Losses with Insurer and Application of Proceeds of Insurance.

In case of loss or damage by fire or other casualty, Mortgagee is authorized to (i) settle and adjust any claim under insurance policies which insure against such risks, or (ii) allow Mortgagor to agree with the insurance company or companies on the amount to be paid in regard to such loss, unless such claim is for an amount not in excess of \$25,000, in which event, Mortgagor may settle and adjust such claim. In either case, Mortgagee is authorized to collect and issue a receipt for any such insurance proceeds. At the option of Mortgagee, such insurance proceeds may be applied in the reduction of the Liabilities, whether due or not, or may be held by Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoration of the Premises. Notwithstanding the foregoing, and provided there is no existing Default hereunder, Mortgagee shall permit disbursement of such insurance proceeds to Mortgagor for the purposes of repair and restoration if Mortgagee is obligated to repair or restore the Premises pursuant to any of the Leases, provided that (i) the repair and restoration can be completed at least forty-five (45) days prior to the Maturity Date; and (ii) that none of the tenants under the Leases have a right to terminate their respective Leases or such right was expressly waived in writing or expired. In the event Mortgagee elects to apply the insurance proceeds in reduction or satisfaction of the Liabilities, such prepayment shall be without penalty or premium to Mortgagor and Mortgagor shall not be obligated to repair or restore the Premises. If Lender makes such insurance proceeds available to Mortgagor for the cost of said rebuilding or restoration, irrespective of whether such insurance proceeds are or are not adequate for such purpose, the Premises shall be so restored or rebuilt so as to be of at least equal value and substantially the same character as prior to such damage or destruction. If the cost of

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rebuilding, repairing or restoring the Premises can reasonably exceed the sum of One Hundred Thousand Dollars (\$100,000.00), then Mortgagor shall obtain Mortgagee's approval of plans and specifications for such work before such work shall be commenced. In any case, where the insurance proceeds are made available for rebuilding and restoration, upon Mortgagee being furnished with satisfactory evidence of the estimated cost of completion thereof and with architect's certificates, waivers of lien, contractor's and subcontractors' sworn statements and other evidence of cost and payments so that Mortgagee can verify that the amounts disbursed from time to time are represented by completed and in place work and that said work is free and clear of mechanics' lien claims, such proceeds shall be disbursed in the manner and under the conditions that Mortgagee may reasonably require. If the estimated cost of completion exceeds the amount of the insurance proceeds available, Mortgagor immediately shall, on written demand of Mortgagee, deposit with Mortgagee in cash the amount of such estimated excess cost. No payment made prior to the final completion of the work shall exceed ninety percent (90%) of the value of the work performed from time to time, and at all times, the undisbursed balance of such proceeds remaining in the hands of the disbursing party shall be at least sufficient to pay for the cost of completion of the work, free and clear of liens other than the Permitted Exceptions. Any surplus which may remain after payment of such cost of building or restoration shall be applied on account of the Liabilities.

2.6. Stamp and Other Taxes:

If the Federal, or any state, county, local, municipal or other, government or any subdivision of any thereof having jurisdiction, shall levy, assess or charge any tax (excepting therefrom any income tax on Mortgagee's receipt of interest payments on the principal portion of the Liabilities), assessment or imposition upon this Mortgage, the Liabilities, the Note or any of the other Loan Documents, the interest of Mortgagee in the Collateral, or any of the foregoing, or upon Mortgagee by reason of or as holder of any of the foregoing, or shall at any time or times require revenue stamps to be affixed to the Note, this Mortgage, or any of the other Loan Documents, Mortgagor shall pay all such taxes and stamps to or for Mortgagee as they become due and payable. If any law or regulation is enacted or adopted permitting, authorizing or requiring any tax, assessment or imposition to be levied, assessed or charged, which law or regulation prohibits Mortgagor from paying the tax, assessment, stamp, or imposition to or for Mortgagee, then all sums hereby secured shall become immediately due and payable at the option of Mortgagee. Thereafter, if Mortgagor fails to make payment of all such sums within five (5) days of Mortgagee's demand therefor, such failure shall constitute a Default (as hereinafter defined) hereunder and all sums secured hereby shall become immediately due and payable.

2.7. Effect of Extensions of Time.

If the payment of the Liabilities or any part thereof is extended or varied or if any part of any security for the payment of the Liabilities is released or additional security is taken, all persons now or at any time hereafter liable therefor, or interested in the Collateral, shall be held to assent to such extension, variation, or taking of additional security or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse

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against all such persons being expressly reserved by Mortgagee, notwithstanding such extension, variation, taking of additional security or release.

2.8. Recorded Instruments.

Mortgagor will promptly perform and observe, or cause to be performed or observed, all of the terms, covenants and conditions of all instruments of record affecting the Collateral, noncompliance with which would adversely affect the security of this Mortgage or impose any duty or obligation upon Mortgagor or other occupant of the Premises, or any part thereof, and Mortgagor shall do or cause to be done all things reasonably necessary to preserve intact and unimpaired any and all easements, appurtenances and other interests and rights in favor of or constituting any portion of the Premises.

2.9. Mortgagee's Performance of Defaulted Acts.

In case of default herein which is not cured within the time provided herein with respect to such default, if any, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or consent to any tax or assessment or cure any default of Mortgagor as lessor under any of the Leases. All monies paid for any of the purposes herein authorized and all expenses actually paid or incurred in connection therewith, including reasonable attorneys' fees, and any other monies advanced by Mortgagee in regard to any stamp tax or any Leases or to protect the Premises and the lien hereof, shall be added to the Liabilities, and shall be due and payable within five (5) days of demand therefor by Mortgagee and, if not paid as aforesaid, with Default Interest (as defined in the Note) thereon. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any Default on the part of Mortgagor.

2.10. Mortgagee's Reliance on Tax Bills.

Mortgagee, in making any payment hereby authorized which (i) relates to taxes and assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; or (ii) is for the purchase, discharge, compromise or settlement of any other prior lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

2.11. Condemnation.

Mortgagor hereby assigns, transfers and sets over unto Mortgagee the entire proceeds of any award or any claim for damages for any of the Premises taken or damaged under the power of eminent domain or by condemnation (the "Condemnation Proceeds"). Mortgagee may elect to apply the Condemnation Proceeds upon or in reduction of the Liabilities, whether

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due or not, or make the Condemnation Proceeds available for restoration or rebuilding of the Premises. In the event Mortgagee elects to apply the Condemnation Proceeds in reduction or satisfaction of the Liabilities, such prepayment shall be without penalty or premium to Mortgagor. Notwithstanding the foregoing, and provided there is no existing Default hereunder, Mortgagee shall permit disbursement of the Condemnation Proceeds to Borrower if Mortgagor is obligated to repair or restore the Premises pursuant to any of the Leases, provided that (i) in the reasonable judgment of Mortgagee the loss of value to the Premises resulting from the damage is not material; (ii) the repair and restoration can be completed at least forty-five (45) days prior to the Maturity Date; and (iii) that none of the tenants under the Leases have a right to terminate their respective Lease or such termination right was expressly waived in writing or expired. If Lender makes the Condemnation Proceeds available to Mortgagor for restoration or rebuilding, irrespective of whether the Condemnation Proceeds are adequate for such purpose, the Premises shall be restored or rebuilt in accordance with plans and specifications to be submitted to and approved by Mortgagee. If Lender does not make the Condemnation Proceeds available to Mortgagor, Mortgagor shall not be required to restore or rebuild the Premises, unless Mortgagor is required to rebuild or restore the Premises pursuant to any of the Leases. In the event the Condemnation Proceeds are made available for rebuilding or restoration, the Condemnation Proceeds shall be disbursed in the manner and under the conditions that Mortgagee may require and paid out in the same manner as provided in Section 2.5 hereof for the payment of insurance proceeds toward the cost of rebuilding or restoration. In such event, if the estimated cost to complete rebuilding or restoration exceeds the Condemnation Proceeds, Mortgagor immediately shall, on written demand of Mortgagee, deposit with Mortgagee cash, a letter of credit or other security reasonably acceptable to Mortgagee, in the amount of such excess cost. Any surplus which may remain after payment of such cost of rebuilding or restoration shall be applied on account of the Liabilities.

2.12. Mortgagee's Right of Inspection.

Mortgagee and/or its representatives shall have the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose, provided Mortgagee, its employees or agents, comply with any applicable insurance requirements.

2.13. Continuing Priority.

Mortgagor will pay such fees, taxes and charges, execute and file (at Mortgagor's expense) such financing statements, obtain such acknowledgments or consents, notify such obligors or providers of services and materials and do all such other acts and things as Mortgagee may from time to time request to establish and maintain a valid and perfected first and prior lien on, and security interest in, the Collateral and to provide for payment to Mortgagee directly of all cash proceeds thereof, with Mortgagee in possession of the Collateral to the extent it requests; maintain its executive office and principal place of business at all times at the address shown above; keep all of its books and records relating to the Collateral on the Premises or at such address; keep all tangible Collateral on the Real Estate except in the ordinary course of business or as Mortgagee may otherwise consent in writing; make notations on its books and records sufficient to enable Mortgagee, as well as third parties, to determine

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the interest of Mortgagee hereunder; and not collect any Rents or the proceeds of any of the Leases or Intangibles more than thirty (30) days before the same shall be due and payable except as Mortgagee may otherwise consent in writing.

2.14. Utilities.

Mortgagor will pay all utility charges incurred in connection with the Collateral and maintain all utility services available for use at the Premises.

2.15. Contract Maintenance; Other Agreements; Leases.

(a) Mortgagor will, for the benefit of Mortgagee, fully and promptly keep, observe, perform and satisfy in all material respects each obligation, condition, covenant, and restriction of Mortgagor affecting the Premises or imposed on it under any agreement between Mortgagor and a third party relating to the Collateral or the Liabilities secured hereby, including, without limitation, the Leases, the Contracts for Sale, the Contracts for Services, Management Agreements and the Intangibles (collectively, the "**Third Party Agreements**"), so that there will be no material default thereunder and so that the Persons (other than Mortgagor) obligated thereon shall be and remain at all times obligated to perform for the benefit of Mortgagee; and Mortgagor will not permit to exist any condition, event or fact which could allow or serve as a basis or justification for any such Person to avoid such performance. Without the prior written consent of Mortgagee, Mortgagor shall not: (i) make or permit any termination or amendment of the rights of Mortgagor under any Third Party Agreement, except in accordance with the provisions thereof and except for any termination or amendment of any utility agreement, license agreement or service contract occurring in the ordinary course of business; (ii) collect rents or the proceeds of any Leases or Intangibles more than thirty (30) days before the same shall be due and payable; (iii) modify or amend any Lease, cancel or terminate the same or accept a surrender of the leased premises; (iv) consent to the assignment or subletting of the whole or any portion of any lessee's interest under any Lease, or grant any options to renew, except in accordance with the provisions thereof; or (v) in any other manner impair Mortgagee's rights and interest with respect to the Rents. Mortgagor will: (i) furnish Mortgagee, within ten (10) days after a request by Mortgagee to do so, a written statement containing the names of all lessees, terms of all Leases, including the spaces occupied and the rentals payable thereunder; (ii) exercise within five (5) days of any demand therefor by Mortgagee any right to request from the lessee under any Lease a certificate with respect to the status thereof; or (iii) not permit any Lease to become subordinate to any lien on the Premises without the prior written consent of Mortgagee and will include in each Lease not yet executed a provision whereby the tenant thereunder covenants that such Lease will not subordinate its leasehold interest therein to any lien on the Premises without the prior written consent of Mortgagee. Mortgagor shall promptly deliver to Mortgagee copies of any demands or notices of default received by Mortgagor in connection with any Third Party Agreement and allow Mortgagee the right, but not the obligation, to cure any such default. All security or other deposits, if any, received from tenants under the Leases shall, to the extent required by applicable law or the Loan Documents, be segregated and maintained in an account satisfactory

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to Mortgagee and in compliance with the law of the state where the Premises are located and with an institution satisfactory to Mortgagee.

(b) Nothing in this Mortgage or in any of the other Loan Documents shall be construed to obligate Mortgagee, expressly or by implication, to perform any of the covenants of Mortgagor as landlord under any of the Leases assigned to Mortgagee or under any Third Party Agreements, or to pay any sum of money or damages therein provided to be paid by Mortgagor, each and all of which covenants and payments Mortgagor agrees to perform and pay. Unless waived by Mortgagee, each of the Leases shall have a subordination provision in form and substance reasonably satisfactory to Mortgagee, subordinating the interest of the tenants under the Leases to this Mortgage, and all renewals, modifications, consolidations, replacements and extensions hereof and shall have attornment and noncancellation clauses in form and substance reasonably satisfactory to Mortgagee, or the tenant shall sign a subordination, non-disturbance and attornment agreement in a form acceptable to Mortgagee. Until all of the Liabilities and other sums secured by this Mortgage are paid in full, Mortgagee reserves the right to require that any Lease be made either superior to or inferior to the lien of this Mortgage.

(c) In the event of the enforcement by Mortgagee of the remedies provided for by law or by this Mortgage, the lessee under each Lease shall attorn to any person succeeding to the interest of Mortgagor as a result of such enforcement and shall recognize such successor in interest as landlord under such Lease without change in the terms or other provisions thereof; provided, however, that said successor in interest shall not be bound by any payment of rent or additional rent for more than one month in advance, and shall not be bound by any amendment or modification to any Lease made without the consent of Mortgagee or said successor in interest. Each lessee, upon request by said successor in interest, shall execute and deliver an instrument or instruments confirming such attornment.

2.16. Notify Mortgagee of Default.

Mortgagor shall notify Mortgagee in writing promptly upon learning of the occurrence of any Default hereunder, which notice shall describe such Default and the steps being taken by Mortgagor with respect thereto.

2.17. Restrictions on Transfers; Assignments; Future Leases.

(a) Mortgagor shall not, without first obtaining the express written consent of Mortgagee (which may be granted or withheld in Mortgagee's sole discretion) create, effect or consent to or suffer or permit any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of the Premises, or any part thereof, or interest therein, whether any such conveyance, sale, transfer, lien, pledge, mortgage, security interest, encumbrance or alienation is effected directly, indirectly, voluntarily or involuntarily, by operation of law or otherwise; provided, that the foregoing provisions of this Section 2.17(a) shall not apply (A) to the lien of this Mortgage or any lien created pursuant to the other Loan Documents, (B) to the lien of current taxes and assessments not yet due and

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payable, or (C) the Permitted Exceptions. The provisions of this Section 2.17(a) shall be operative with respect to, and shall be binding upon, any Person who, in accordance with the terms hereof or otherwise, shall acquire, either directly or indirectly, any part of or interest in or encumbrance upon the Premises or any interest in Mortgagor.

(b) Mortgagor shall not cause or permit any Rents, Leases, Contracts for Sale, Management Agreements or other contracts relating to the Premises to be assigned, transferred, conveyed, pledged or disposed of to any party other than Mortgagee without first obtaining the express written consent of Mortgagee to any such assignment or permit any such assignment to occur by operation of law.

(c) Mortgagor shall not cause or permit all or any portion of or interest in the Premises or the Improvements to be leased (that word having the same meaning for purposes hereof as it does in the law of landlord and tenant) directly or indirectly to any Person, except with the prior written consent of Mortgagee, which consent shall not be unreasonably withheld or delayed, and if granted, under Leases approved in writing by Mortgagee.

2.18. Assignment of Leases and Rents and Collections.

(a) All of Mortgagor's interest in and rights under the Leases now existing or hereafter entered into, and all of the Rents, whether now due, past due, or to become due, and including all prepaid rents and security deposits, and all other amounts due with respect to any of the other Collateral, are hereby absolutely, presently and unconditionally assigned and conveyed to Mortgagee to be applied by Mortgagee in payment of the Liabilities and all other sums payable under this Mortgage. In the absence of any Default, Mortgagor shall have a license to collect and receive all Rents and other amounts, which license shall be terminated at the sole option of Mortgagee, without regard to the adequacy of its security hereunder and without notice to or demand upon Mortgagor, upon the occurrence and continuance of any Default. It is understood and agreed that neither the foregoing assignment to Mortgagee nor the exercise by Mortgagee of any of its rights or remedies under Article III hereof shall be deemed to make Mortgagee a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Collateral or the use, occupancy, enjoyment or any portion thereof, unless and until Mortgagee, in person or by agent, assumes actual possession thereof, nor shall appointment of a receiver for the Collateral by any court at the request of Mortgagee or by agreement with Mortgagor, or the entering into possession of any part of the Collateral by such receiver, be deemed to make Mortgagee a mortgagee-in-possession or otherwise responsible or liable in any manner with respect to the Collateral or the use, occupancy, enjoyment or operation of all or any portion thereof. Upon the occurrence of any Default and during its continuance, this shall constitute a direction to and full authority to each lessee under any Leases, each guarantor of any of the Leases and any other Person obligated under any of the Collateral to pay all Rents and other amounts to Mortgagee without proof of the Default relied upon. Mortgagor hereby irrevocably authorizes each such Person to rely upon, and comply with, any notice or demand by Mortgagee for the payment to Mortgagee of any Rents and other amounts due or to become due.

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(b) Mortgagor shall apply the Rents and other amounts to the payment of all necessary and reasonable operating costs and expenses of the Collateral, debt service on the Liabilities and otherwise in compliance with the provisions of this Mortgage, the Note and the other Loan Documents.

(c) Mortgagor shall at all times fully perform the obligations of the lessor under all Leases. Mortgagor shall at any time, or from time to time, upon request of Mortgagee, transfer and assign to Mortgagee in such form as may be reasonably satisfactory to Mortgagee, Mortgagor's interest in the Leases, subject to and upon the condition, however, that in the absence of any Default hereunder, Mortgagor shall have a license to collect and receive all Rents under such Leases upon accrual, but not more than thirty (30) days prior thereto, as set forth in paragraph (a) above.

(d) Mortgagee shall have the right to assign Mortgagee's right, title and interest in any Leases to any subsequent holder of this Mortgage or any participating interest therein or to any Person acquiring title to all or any part of the Collateral through foreclosure or otherwise. Any subsequent assignee shall have all the rights and powers herein provided to Mortgagee. Upon the occurrence of any Default and during its continuance, Mortgagee shall have the right to execute new leases of any part of the Collateral, including leases that extend beyond the term of this Mortgage. Mortgagee shall have the authority, as Mortgagor's attorney-in-fact, such authority being coupled with an interest and irrevocable, to sign the name of Mortgagor and to bind Mortgagor on all papers and documents relating to the operation, leasing and maintenance of the Collateral.

2.19. Environmental Compliance. To the best of Mortgagor's knowledge, the Premises and its present use comply, and at all times shall comply, with all Federal, state and local statutes, laws, ordinances, codes, rules, regulations, orders or decrees regulating, relating to or imposing liability or standards of conduct concerning, any Hazardous Material (as hereinafter defined) now, or at any time hereafter, in effect, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act and any so-called "Superfund" or "Superlien" law all as amended or hereafter amended (all of the foregoing are hereinafter called the "Environmental Laws"). Neither Mortgagor nor, to the knowledge of Mortgagor, any other Person has ever caused or permitted any Hazardous Material to be generated or disposed of on, under or at the Premises or the Real Estate or any part thereof or any other real property legally or beneficially owned (or any interest or estate in real property which is owned) or operated by Mortgagor (including, without limitation, any property owned by a land trust the beneficial interest in which is owned in whole or in part by Mortgagor) and to the best of Mortgagor's knowledge, no such real property has ever been used (whether by Mortgagor or by any other Person) as (i) a dump site or permanent storage site for any Hazardous Material or (ii) a temporary storage site for Hazardous Material except in accordance with Mortgagor's ordinary business practices and in compliance with the Environmental Laws.

Mortgagor hereby covenants that it will not use, generate, manufacture, produce, store, release, discharge, or dispose of on, under or about the Premises or transport to or from the

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Premises any Hazardous Materials or allow any other person or entity to do so, except in accordance with applicable Environmental Laws.

In the event that any investigation, site monitoring, containment, clean-up, removal, restoration or other remedial work of any kind or nature (the "**Remedial Work**") is required by any of the Environmental Laws in connection with, the current or future presence, suspected presence, release or suspected release of any Hazardous Materials in or about the air, soil, ground water, surface water or soil vapor at, on, about, under or within the Premises (or any portion thereof), Mortgagor shall within thirty (30) days after written demand for performance thereof by Mortgagee (or such shorter period of time as may be required under any of the Environmental Laws), commence and thereafter diligently prosecute to completion, all the Remedial Work. The Remedial Work shall be performed by contractors approved in advance by Mortgagee, and under the supervision of a consulting engineer approved by Mortgagee. All costs and expenses of the Remedial Work shall be paid by Mortgagor including, without limitation, Mortgagee's reasonable attorneys' fees, paralegal fees and costs incurred in connection with monitoring or review of the Remedial Work. In the event Mortgagor shall fail to timely prosecute to completion the Remedial Work, Mortgagee may, but shall not be required to, cause the Remedial Work to be performed and all costs and expenses thereof, or incurred in connection therewith, shall become part of the Liabilities.

Except to the extent caused by the negligence or intentional misconduct of Mortgagee or its employees, agents or contractors, Mortgagor hereby indemnifies Mortgagee and agrees to hold Mortgagee harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, Mortgagee for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises or the Real Estate or any other real property owned or operated by Mortgagor of any Hazardous Material (including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any of the Environmental Laws, regardless of whether or not caused by, or within the control of, Mortgagor) (collectively, the "**Indemnified Matters**"). This indemnity shall survive the reconveyance or release of the lien of this Mortgage, the extinguishment of the lien by foreclosure or action and reconveyance or extinguishment, or the delivery of a deed in lieu of foreclosure. Notwithstanding the foregoing, Mortgagor shall not be liable to Mortgagee for any Indemnified Matter which arises or is related to any release of Hazardous Material in, on, under or above the Premises first occurring after the date title to the Premises has been taken by the Mortgagee or a third party purchaser through foreclosure proceedings.

For purposes of this Mortgage, "**Hazardous Material**" means (a) any chemicals, materials or substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", "extremely hazardous wastes", "restricted hazardous wastes", "toxic substances", "toxic pollutants", "contaminants" or "pollutants", or words of similar import, under any applicable Environmental Law; (b) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority, including, without limitation, crude oil or any fraction thereof which

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is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), any radioactive material, including any source, special nuclear or by-product material as defined at 42 U.S.C. §2011 et seq., as amended or hereafter amended, asbestos in any form or condition, polychlorinated biphenyls ("PCBs") or substances or compounds containing PCBs, and (c) such other substances, materials and wastes which are or shall become regulated as hazardous or toxic under any current or future Environmental Law, or any future local, state or federal law, or which are or may hereafter be classified as hazardous or toxic under federal, state or local laws or regulations.

2.20. Reserve for Taxes, Assessments and Insurance.

Mortgagor covenants and agrees to pay to Mortgagee (or as directed by Mortgagee, to a depository institution ("**Depository**")) monthly until the Note and all of the other Liabilities have been paid in full, in addition to the monthly payments of principal and interest under the terms of the Note and concurrently therewith monthly until the Note is fully paid, a sum equal to taxes and assessments next due upon the Premises (all as reasonably estimated by Mortgagee) and the premiums that will next become due and payable on policies of fire, rental value and other insurance covering the Premises required under the terms of this Mortgage, divided by the number of months to elapse before one month prior to the date when such taxes, assessments and insurance premiums will become due and payable, such sums to be held by Mortgagee or the Depository, if any, with interest accruing thereon, to pay each of the said items.

All payments described above in this Section 2.20 shall be paid by Mortgagor each month in a single payment to be applied by Mortgagee or the Depository, if any, to the foregoing items in such order as Mortgagee shall elect in its sole discretion, but in any event prior to any delinquency charges or late fees, provided sufficient funds are available.

Mortgagor shall also pay to Mortgagee prior to the due date of any taxes, assessments or insurance premiums levied on, against or with respect to the Premises, such additional amount as may be necessary to provide Mortgagee or the Depository, if any, with sufficient funds to pay any such tax, assessment and insurance premiums under this Section 2.20.

Mortgagee or the Depository, if any, shall, within ten (10) days of receipt from Mortgagor of a written request therefor together with such supporting documentation as Mortgagee may reasonably require (including, without limitation, official tax bills or statements for insurance premiums), cause proper amounts to be withdrawn from the applicable depository account and paid directly to the appropriate tax collecting authority or insurer. Even though Mortgagor may have made all appropriate payments to Mortgagee or the Depository, if any, as required by this Mortgage, Mortgagor shall nevertheless have full and sole responsibility at all times to cause all taxes, assessments and insurance premiums to be fully and timely paid, and Mortgagee or any Depository shall have no responsibility or obligation of any kind with respect thereto except with respect to payments required to be made by Mortgagor hereunder for which Mortgagee or the Depository, if any, has received funds to cover such payments in full and all statements, invoices, reports or other materials necessary to make such payments,

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prior to the deadline for any such payment. If at any time the funds so held by Mortgagee shall be insufficient to cover the full amount of all taxes, assessments and insurance premiums then accrued (as estimated by Mortgagee) with respect to the then-current twelve-month period, Mortgagor shall, within ten (10) days after receipt of notice thereof from Mortgagee or the Depository, if any, deposit with Mortgagee or the Depository, if any, such additional funds as may be necessary to remove the deficiency. Failure to do so within such 10-day period shall be a Default hereunder and all sums hereby secured shall immediately become due and payable at the option of Mortgagee. In the event of a Default hereunder or if the Premises are sold under foreclosure or are otherwise acquired by Mortgagee, accumulations under this Section 2.20 may be applied to the Liabilities in such order of application as Mortgagee may elect in its sole discretion. Any Depository hereunder shall not be liable for any act or omission performed in good faith or pursuant to the direction of any party hereto, but shall be liable only for its negligence or willful misconduct.

2.21. Governmental Requirements; Utilities.

Mortgagor will at all times fully comply with, and cause the Collateral and the use and condition thereof fully to comply with, all federal, state, county, municipal, local and other governmental statutes, ordinances, requirements, regulations, rules, orders and decrees of any kind whatsoever that apply or relate to Mortgagor or the Collateral or the use thereof, and will observe and comply with all conditions and requirements necessary to preserve and extend any and all rights, licenses, permits, privileges, franchises and concessions (including, without limitation, those relating to land use and development, landmark preservation, construction, access, water rights and use, noise and pollution) which are applicable to Mortgagor or have been granted for the Collateral or the use thereof subject, however, to Mortgagor's right to contest same in the manner set forth in Section 2.22 below. Mortgagor will pay all utility charges incurred in connection with the Collateral and maintain all utility services available for use at the Premises.

2.22. Right to Contest.

Wherever in this Mortgage Mortgagor has the right to contest any matter, lien, claim, encumbrance, condition or provision affecting Mortgagor or the Collateral, such contest shall be pursued by Mortgagor in good faith, by appropriate proceedings diligently pursued, and only where (i) such proceedings pursued by Mortgagor preclude enforcement of the matter, lien, claim, encumbrance or condition, (ii) such contest does not impair the validity or priority of Mortgagor's lien on the Collateral, and (iii) Mortgagor maintains reserves in conformity with Generally Accepted Accounting Principles for the matter under contest.

2.23. Financial Statements, Certificates and Information.

(a) Mortgagor will deliver to Mortgagee, as soon as practicable, but in any event not later than forty-five (45) days after the end of each fiscal quarter of Mortgagor, copies of the unaudited balance sheets of Mortgagor as at the end of such quarter, and the related unaudited statement of income and estimated taxable income for the portion of Mortgagor's

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fiscal year then elapsed, all in reasonable detail and prepared in accordance with generally accepted accounting principles, together with a certification by the principal financial or accounting officer of Mortgagor, that the information contained in such financial statements fairly presents the financial position of Mortgagor on the date thereof (subject to year-end adjustments) and that Mortgagor has remained in compliance with the covenants set forth in Section 2.23 throughout the previous quarter. Copies of any audited financial statements prepared for Mortgagor shall be delivered to Mortgagee within ten (10) days after receipt of the same by Mortgagor.

(b) Mortgagor will deliver to Mortgagee, as soon as practicable, but in any event not later than forty-five (45) days after the end of each fiscal quarter of Guarantor, copies of the unaudited balance sheets of Guarantor as at the end of such quarter, and the related unaudited statement of income and estimated taxable income for the portion of Guarantor's fiscal year then elapsed, all in reasonable detail and prepared in accordance with generally accepted accounting principles, together with a certification by the principal financial or accounting officer of Guarantor, that the information contained in such financial statements fairly presents the financial position of Guarantor on the date thereof (subject to year-end adjustments). Copies of any audited financial statements prepared for Guarantor shall be delivered to Mortgagee within ten (10) days after receipt of the same by Mortgagor.

2.24. Debt Service Coverage Ratio.

Mortgagor covenants and agrees that, so long as the Note or the Loan is outstanding, Mortgagor will not permit the Debt Service Coverage Ratio (as defined in the Note) to be less than 1.25 to 1. If the Debt Service Coverage Ratio falls below 1.25 during the Floating Rate Term (as defined in the Note), Mortgagor shall make such mandatory prepayments as are required by the Note. If the Debt Service Coverage Ratio falls below 1.25 at any time thereafter, it shall be a Default hereunder.

2.25. Single Purpose Entity/Separateness. Mortgagor represents, warrants and covenants as follows:

(a) Mortgagor does not own and will not own any asset or property other than (i) the Premises, and (ii) personal property necessary for the ownership or operation of the Premises.

(b) Mortgagor will not engage in any business other than to own, operate, lease, sell, finance, refinance, and manage the Premises and Mortgagor will conduct and operate its business as presently conducted and operated.

(c) Mortgagor has not incurred and will not incur any indebtedness other than (i) the Loan, (ii) trade and operational debt incurred in the ordinary course of business with trade creditors and in amounts as are normal and reasonable under the circumstances, provided such debt is not evidenced by a note and is paid when due, and (iii) debt incurred in the

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financing of equipment and other personal property used on the Premises. No indebtedness other than the Loan may be secured (subordinate or pari passu) by the Premises except that the financing set forth in (c)(iii) above may be secured by such equipment and personal property.

(d) Mortgagor will maintain all of its books, records, financial statements and bank accounts separate from those of any other Person, except that Mortgagor shall be permitted to consolidate its financial statements and tax returns with its affiliates and parent. Mortgagor shall maintain its books, records, resolutions and agreements as official records.

(e) Mortgagor will not commingle the funds and other assets of Mortgagor with those of any Person.

(f) Mortgagor will maintain separate unaudited financial statements showing its income and expenses separate and apart from any other Person.

(g) Mortgagor is and will remain solvent and Mortgagor will pay its debts and liabilities (including, as applicable, shared personnel and overhead expenses) from its own funds and assets as the same shall become due.

(h) Mortgagor has done or caused to be done and will do all things necessary to observe organizational formalities and preserve its existence, and Mortgagor will not amend, modify or otherwise change the partnership certificate, partnership agreement, articles of incorporation and bylaws, operating agreement, trust or other organizational documents of Mortgagor without the prior written consent of Lender.

(i) Mortgagor will not enter into any contract or agreement with any affiliate of the Mortgagor, except for goods or services reasonably required in the conduct of Mortgagor's business and provided that any such transaction shall be effected by an enforceable agreement and only on arm's length terms competitive with those that may be obtained in the marketplace from unaffiliated Persons.

(j) Mortgagor has not made and will not make any loans or advances to any other Person or entity (including any affiliate of Mortgagor) or buy evidence of indebtedness issued by any other Person (except for cash and investment-grade securities).

(k) Mortgagor will allocate fairly and reasonably any common employee or overhead share with affiliates.

(l) Mortgagor will not pledge its assets for the benefit of any other Person other than the Lender.

(m) Mortgagor will be, and at all times will hold itself out to the public as, a legal entity separate and distinct from any other entity (including any affiliate of Mortgagor), shall correct any known misunderstanding regarding its status as a separate entity, shall conduct business in its own name, shall not identify itself or any of its affiliates as a division or part

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of the other and shall maintain and utilize a separate telephone number, if any, and separate stationery, invoices and checks.

(n) Mortgagor will not seek the dissolution, winding up, liquidation, consolidation or merger in whole or in part, of the Mortgagor.

2.26. Subordination Agreement

Mortgagor covenants and agrees that Mortgagor shall use commercially reasonable efforts to deliver to Mortgagee an executed Subordination, Non-Disturbance and Attornment Agreement from each tenant of the Premises in the form attached hereto as Exhibit D or such other form as is reasonably satisfactory to Lender.

2.27. Notice of Lease Termination

Mortgagor covenants and agrees that, in the event any of the tenants under the Leases terminates a Lease, Mortgagor shall notify Mortgagee within five (5) days after receiving termination notice from the tenant.

III. DEFAULT; REMEDIES

3.1. Defaults.

Each of the following shall constitute a default ("Default") hereunder:

(a) The occurrence of any Default or Event of Default (as defined therein) under the Note or any other Loan Document by Mortgagor or Grantor.

(b) Non-compliance by Mortgagor with, or failure by Mortgagor to pay or perform, any obligation, covenant, condition or agreement contained herein or in the Note or in any other Loan Document (other than any non-compliance or failure which constitutes a default under Section 3.1(a) or 3.1(c)) and continuance of such non-compliance or failure for (i) a period of five (5) days after the due date with respect to any monetary default under this Mortgage, the Note or any other Loan Document, (ii) a period of five (5) days after written notice thereof to Mortgagor from Mortgagee with respect to any default under Section 2.4 of this Mortgage, or (iii) a period of thirty (30) days after written notice thereof to Mortgagor from Mortgagee with respect to any non-monetary default under this Mortgage, the Note or any other Loan Document other than under Section 2.4; provided, however, that if such obligation, covenant, condition, or agreement cannot reasonably be cured within such thirty (30) day period and such covenant is not contained in Section 2.24 and 2.25, and if Mortgagor commences to cure such failure promptly after written notice thereof, and thereafter diligently pursues the curing thereof (and then in all events cures such failure within one hundred twenty (120) days after the original notice thereof), Mortgagor shall not be in default hereunder during such period of diligent curing; or

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(c) Any representation or warranty made by or on behalf of Mortgagor to Mortgagee contained herein shall prove to have been false or misleading in any material respect as of the time such representation or warranty was made and Mortgagee notifies Mortgagor thereof in writing; or

(d) A default by Mortgagor, in any material respect, occurs under the terms of any of the Leases, or any of the other Third Party Agreements and any such default continues for more than the applicable period of grace, if any, therein set forth.

(e) The occurrence of any of the following: (i) Mortgagor, or any guarantor of the Liabilities shall file a petition seeking relief under the United States Bankruptcy Code, 11 U.S.C. § 101 et seq. (the "Bankruptcy Code") or any similar law, state or Federal, whether now or hereafter existing, or any answer admitting insolvency or inability to pay its debts, or fail to obtain a vacation or stay of involuntary proceedings within sixty (60) days, as hereinafter provided; or (ii) an order for relief shall be entered in an involuntary case against Mortgagor or any guarantor, or a trustee or a receiver shall be appointed for Mortgagor or any guarantor of the Liabilities, or for all of the property of Mortgagor or any guarantor of the Liabilities, or the major part thereof, in any involuntary proceeding, or any court shall have taken jurisdiction of the property of Mortgagor or any guarantor of the Liabilities, or the major part thereof, in any voluntary or involuntary proceeding for the reorganization, dissolution, liquidation or winding up of Mortgagor, or any guarantor of the Liabilities, and such trustee or receiver shall not be discharged or such jurisdiction relinquished or vacated or stayed on appeal or otherwise stayed within sixty (60) days; or (iii) Mortgagor or any guarantor of the Liabilities, shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or trustee or liquidator of all or a major part of its property; or (iv) Mortgagor or any guarantor of the Liabilities is formally charged under a Federal or state law, for which forfeiture of the Premises is a potential penalty.

(f) If Mortgagor is enjoined, restrained or in any way prevented by court order from continuing to conduct all or any material part of its business affairs; or

(g) If a notice of lien, levy or assessment in excess of \$100,000.00 in the aggregate as to Mortgagor is filed of record with respect to any or all of Mortgagor's assets by the United States Government, or any department, agency or instrumentality thereof, or by any state, county, municipal or other governmental agency, or if any taxes or debts owing at any time hereafter to any one or more of such entities in excess of \$100,000.00 in the aggregate as to Mortgagor becomes a lien, whether choate or otherwise, upon any or all of Mortgagor's assets and the same is not paid on the payment date thereof; or

(h) If a judgment or other claim in excess of \$100,000.00 individually or \$250,000.00 in the aggregate as to Mortgagor becomes a Lien upon any or all of Mortgagor's assets.

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3.2. Acceleration.

Upon the occurrence of any Default, the entire indebtedness evidenced by the Note and all other Liabilities, together with Default Interest thereon shall, notwithstanding any provisions of the Note or the other Loan Documents, at once, at the option of Mortgagee, become immediately due and payable without demand or notice of any kind to Mortgagor or any other Person. Further, in the event Mortgagee shall be or become entitled to, or shall, accelerate the indebtedness secured hereby, Mortgagee shall have the right, at Mortgagor's expense, to conduct an environmental audit, review and assessment of the Premises and Mortgagor hereby consents to Mortgagee and its representatives entering upon the Premises for such purpose. The scope of such environmental audit, review and assessment shall be determined by Mortgagee.

3.3. Foreclosure; Expense of Litigation.

Upon the occurrence of any Default, Mortgagee shall have the right immediately to foreclose this Mortgage. In any civil action to foreclose the lien hereof, there shall be allowed and included as Liabilities in the order or judgment for sale all actual and reasonable expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the order or judgment) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such civil actions or to evidence to bidders at any sale which may be held pursuant to such order or judgment the true condition of the title to or the value of the Collateral. All actual expenditures and expenses of the nature in this Section 3.3 mentioned, and such expenses and fees as may be incurred in the protection of the Collateral and maintenance of the lien of this Mortgage, including the reasonable fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Note or the other Liabilities, including probate, bankruptcy and appellate proceedings, or in preparation for the commencement or defense of any pending or threatened civil actions or proceeding shall be due and payable by Mortgagor within five (5) days of demand therefor by Mortgagee, and if not paid by Mortgagor as aforesaid, with Default Interest thereon, and shall be secured by this Mortgage.

3.4. Application of Proceeds of Foreclosure Sale.

The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in Section 3.3 hereof; second, all other items which may under the terms hereof constitute Liabilities other than the Liabilities evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note; and fourth, any overplus to Mortgagor, its successors or assigns, as their rights may appear.

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3.5. Appointment of Receiver.

Upon, or at any time after the filing of a complaint to foreclose this Mortgage, upon written notice to Mortgagor, the court in which such complaint is filed may appoint a receiver of the Premises. Such appointment may be made either before or after sale, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not and Mortgagee hereunder or any holder of the Note may be appointed as such receiver. Such receiver shall have power to collect the Rents, issues and profits of the Premises during the pendency of such foreclosure suit and during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such Rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the Liabilities, or by any judgment or order foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; and (b) the deficiency in case of a sale and deficiency.

3.6. Mortgagee's Right of Possession in Case of Default.

In any case in which under the provisions of this Mortgage, Mortgagee has a right to institute foreclosure proceedings, whether before or after the Liabilities secured hereby are declared to be immediately due, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, immediately upon demand of Mortgagee, Mortgagor shall surrender to Mortgagee and Mortgagee shall be entitled to take actual possession of the Premises or any part thereof personally, or by its agents or attorneys, as for condition broken. In such event Mortgagee in its discretion may in accordance with law, enter upon and take and maintain possession of all or any part of the Premises, together with all documents, books, records, papers and accounts of Mortgagor relating thereto, and may exclude Mortgagor, its agents or servants, wholly therefrom, and may as attorney in fact or agent of Mortgagor, or in its own name as Mortgagee and under the powers herein granted, hold, operate, manage and control the Premises and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the Premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, and with full power to: (a) cancel or terminate any Lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same; (b) elect to disaffirm any Lease or sublease which is then subordinate to the lien hereof; (c) extend or modify any Leases and to make new Leases, which extensions, modifications and new Leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of Liabilities and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such Leases, and the

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options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from a foreclosure of this Mortgage, discharge of the Liabilities, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; (d) make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Premises as Mortgagee may deem appropriate; (e) insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof; and (f) receive all of such Rents and proceeds, hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without prior notice to Mortgagor.

3.7. Application of Income Received by Mortgagee.

Mortgagee, in the exercise of the rights and powers conferred herein, shall have full power to use and apply the Rents and proceeds of the Premises to the payment of or on account of the following, in such order as Mortgagee may reasonably determine:

(a) to the payment of the operating expenses of the Premises, including the cost to manage and lease the Premises (which shall include appropriate compensation to Mortgagee and its agent or agents, if management be delegated to an agent or agents), establishing claims for damages, if any, and premiums on insurance hereinabove authorized;

(b) to the payment of taxes and special assessments now due or which may hereafter become due on the Premises;

(c) to the payment of all repairs, replacements, alterations, additions, betterments, and improvements of the Premises and of placing the Premises in such condition as will, in the judgment of Mortgagee, make it readily marketable and rentable; and

(d) to the payment of any of the Liabilities or any deficiency which may result from any foreclosure sale.

3.8. Performance of Third Party Agreements.

Mortgagee may, in its sole discretion after the occurrence of a Default and during its continuance (or prior thereto if so provided elsewhere in this Mortgage), notify any Person obligated to Mortgagor under or with respect to any Third Party Agreements of the existence of a Default, require that performance be made directly to Mortgagee at Mortgagor's expense, advance such sums as are necessary or appropriate to satisfy Mortgagor's obligations thereunder and exercise, on behalf of Mortgagor, any and all rights of Mortgagor under the Third Party Agreements as Mortgagee, in its sole discretion, deems necessary or appropriate; and Mortgagor agrees to cooperate with Mortgagee in all ways reasonably requested by Mortgagee (including the giving of any notices requested by, or joining in any notices given by, Mortgagee) to accomplish the foregoing.

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3.9. Rights Cumulative.

No right, power or remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other right, power or remedy, and each right, power and remedy herein conferred upon Mortgagee is cumulative and in addition to every other right, power or remedy, express or implied, given now or hereafter existing, at law or in equity, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by Mortgagee, and the exercise or the beginning of the exercise of one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy, and no delay or omission of Mortgagee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any Default or acquiescence therein.

IV. GENERAL

4.1. Release upon Payment and Discharge of Mortgagor's Liabilities.

Mortgagee shall promptly release this Mortgage and the lien thereof by proper instrument upon payment and discharge of all of the Liabilities and upon payment of a reasonable documentation fee to Mortgagee for the execution of such release.

4.2. Giving of Notice.

Any notice, demand or other communication required or permitted hereunder shall be in writing and shall be deemed to be given if and when personally delivered, or on the second business day after being deposited in the United States registered or certified mail, postage prepaid, subject to change by notice from the party to be charged with such notice, all notices, demands or other communications shall be addressed as follows:

1. To Mortgagor:

Enterprise Drive, L.L.C.
c/o Prime Group Realty Trust
77 West Wacker Drive
Chicago, Illinois 60601

Attention: James F. Hoffman, Esq.

With a copy to:
Prime Group Realty Trust
77 West Wacker Drive
Chicago, Illinois 60601
Attention: Louis G. Conforti

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2. To Mortgagee:

LaSalle Bank National Association
135 South LaSalle Street
Chicago, Illinois 60603

Attention: Paul M. Peterson

With a copy to:

Jenner & Block
One IBM Plaza
Chicago, Illinois 60611

Attention: Donald I. Resnick, Esq.

4.3. Waiver of Notice.

No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the Note hereby secured.

4.4. Waiver of Statutory Rights.

Mortgagor shall not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor, for itself, and all who may claim through or under it, waives any and all right to have the property and estates comprising the Collateral marshaled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Collateral sold as an entirety. Mortgagor does hereby expressly waive any and all rights of redemption from any order, judgment or decree of foreclosure of this Mortgage on behalf of Mortgagor and each and every person acquiring any interest in or title to the Collateral subsequent to the date of this Mortgage. Mortgagor does hereby further expressly waive, to the extent now or hereafter permitted by law, all rights of reinstatement of this Mortgage pursuant to Section 15-1602 of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101 et seq. (the "Act").

4.5. Compliance with Illinois Mortgage Foreclosure Law.

In the event that any provision of this Mortgage shall be inconsistent with any provision of the Act, the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act. If any provision of this Mortgage shall grant to Mortgagee any rights or remedies upon any Default by Mortgagor which are more limited

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than the rights that would otherwise be vested in Mortgagee under the Act in the absence of said provision, Mortgagee shall be vested with the rights granted in the Act to the full extent permitted by law. Without limiting the generality of the foregoing, all expenses incurred by Mortgagee to the extent reimbursable under Sections 15-1510 or 15-1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether enumerated in Section 4.6 of this Mortgage, shall be added to the Liabilities secured by this Mortgage or by the judgment of foreclosure.

4.6. Security Agreement; Fixture Filing.

In the event of a Default under this Mortgage, Mortgagee, pursuant to the appropriate provisions of the UCC, shall have the option of proceeding as to both the Premises and personal property in accordance with its rights and remedies with respect to the Premises, in which event the default provisions of the UCC shall not apply. The parties agree that, in the event Mortgagee shall elect to proceed with respect to the personal property Collateral securing the Liabilities separately from the Premises, ten (10) days notice of the sale of the personal property Collateral shall be reasonable notice. The reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by Mortgagee shall include, but not be limited to, reasonable attorneys' fees and legal expenses incurred by Mortgagee. Mortgagor agrees that, without the written consent of Mortgagee, Mortgagor will not remove or permit to be removed from the Premises any of the Goods or other personal property or fixtures securing the Liabilities except in the ordinary course of Mortgagor's business, and except that so long as no Default has occurred and is continuing, Mortgagor shall be permitted to sell or otherwise dispose of such property when obsolete, worn out, inadequate, unserviceable or unnecessary for use in the operation of the Premises, upon replacing the same or substituting for the same other property at least equal in value to the initial value to that disposed of and in such a manner so that said other property shall be subject to the security interest created hereby and so that the security interest of Mortgagee shall always be perfected and first in priority, it being expressly understood and agreed that all replacements, substitutions and additions to the property securing the Liabilities shall be and become immediately subject to the security interest of this Mortgage and covered hereby. Mortgagor shall, from time to time, on request of Mortgagee, deliver to Mortgagee in reasonable detail an inventory of the Goods and other personal property securing the Liabilities. Mortgagor covenants and represents that the Goods and all other personal property securing the Liabilities now are, and that all replacements thereof, substitutions therefor or additions thereto, unless Mortgagee otherwise consents, will be free and clear of liens, encumbrances or security interest of others.

4.7. Filing and Recording Fees.

Mortgagor will pay all filing, registration or recording fees, and all expenses incident to the execution and acknowledgment of this Mortgage, and all Federal, state, county, and municipal taxes, and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Note and this Mortgage.

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4.8. No Liability on Mortgagee.

Notwithstanding anything contained herein, Mortgagee shall not be obligated to perform or discharge, and does not hereby undertake to perform or discharge, any obligation, duty or liability of Mortgagor, whether hereunder, under any of the Third Party Agreements or otherwise, unless and until Mortgagee takes actual possession of the Premises, and Mortgagor shall and does hereby agree to indemnify against and hold Mortgagee harmless of and from: any and all liabilities, losses or damages which Mortgagee may incur or pay under or with respect to any of the Collateral or under or by reason of its exercise of rights hereunder; and any and all claims and demands whatsoever which may be asserted against Mortgagee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in any of the Collateral or in any of the contracts, documents or instruments evidencing or creating any of the Collateral, except for claims, liability, loss or damage resulting directly from Mortgagee's negligence or willful misconduct. Unless and until Mortgagee takes actual possession of the Premises, Mortgagee shall not have responsibility for the control, care, management or repair of the Premises or be responsible or liable for any negligence in the management, operation, upkeep, repair or control of the Premises resulting in loss, injury or death to any lessee, licensee, employee, stranger or other Person. No liability shall be enforced or asserted against Mortgagee in its exercise of the powers granted to it under this Mortgage, and Mortgagor expressly waives and releases any such liability. Should Mortgagee incur any such liability, loss or damage under any of the Third Party Agreements or under or by reason hereof, or in the defense of any claims or demands, Mortgagor agrees to reimburse Mortgagee immediately upon demand for the full amount thereof, including costs, expenses and reasonable attorneys' fees.

4.9. Successors.

This Mortgage, and all provisions hereof, shall extend to and be binding upon Mortgagor and its successors, grantees and assigns, any subsequent owner or owners of the Premises and all persons claiming under or through Mortgagor, and the word "Mortgagor" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of Mortgagee named herein, and the holder or holders, from time to time, of the Note secured hereby.

4.10. Severability; Governing Laws.

In the event one or more of the provisions contained in this Mortgage or the Note secured hereby or any other Loan Documents shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of Mortgagee, not affect any other provision of this Mortgage, and this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein. This Mortgage and the Note and other Loan Documents it secures are to be construed and governed by the laws of the State of Illinois.

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4.11. No Offset.

No offset or claim that Mortgagor now has or may have in the future against Mortgagee shall relieve Mortgagor from paying any amounts due under the Note or from performing any other obligations contained herein or secured hereby.

4.12. No Reliance by Others on the Premises.

Subject to the Permitted Exceptions, Mortgagor shall not by act or omission permit any building or other improvement on the Premises not subject to the lien of this Mortgage to rely on the Premises or any part thereof or any interest therein to fulfill any municipal or governmental requirement, and Mortgagor hereby assigns to Mortgagee any and all rights to give consent for all or any portion of the Premises or any interest therein to be used. Similarly, no building or other improvement on the Premises shall rely on any premises not subject to the lien of this Mortgage or any interest therein to fulfill any governmental or municipal requirement, other than with respect to the Permitted Exceptions. Mortgagor shall not by act or omission impair the integrity of the Premises as zoned. Any act or omission by Mortgagor which would result in a violation of any of the provisions of this Section 4.12 shall be void.

4.13. No Merger.

It being the desire and intention of the parties hereto that this Mortgage and the lien hereof do not merge in fee simple title to the Premises, it is hereby understood and agreed that should Mortgagee acquire any additional or other interests in or to the Premises or the ownership thereof, then, unless a contrary intent is manifested by Mortgagee as evidenced by an express statement to that effect in an appropriate document duly recorded, this Mortgage and the lien hereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

4.14. Mortgagee Not a Joint Venturer or Partner.

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

4.15. Note, Mortgage and other Loan Documents.

Mortgagor covenants that it will timely and fully perform and satisfy all the terms, covenants and conditions of the Note, this Mortgage and the other Loan Documents.

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4.16. No Property Manager's Lien.

Any property management agreement for or relating to all or any part of the Premises, whether now in effect or entered into hereafter by Mortgagor or any agent thereof, with a property manager shall contain a "no lien" provision whereby the property manager forever and unconditionally waives and releases any and all mechanics' lien rights and claims that it or anyone claiming through or under it may have at any time pursuant to any statute or law. Such property management agreement or a short form thereof including such waiver shall, at Mortgagee's request, be recorded with the Office of the Recorder of Deeds for the county in which the Premises are located. In addition, Mortgagor shall cause the property manager to enter into a subordination agreement with Mortgagee, in recordable form, whereby the property manager subordinates its present and future lien rights and those of any party claiming by, through or under it, to the lien of this Mortgage. Mortgagor's failure to cause any of the foregoing to occur shall constitute a Default under this Mortgage.

4.17. Miscellaneous.

(a) The Note secured hereby requires the payment of a late charge in the event any installment of principal and/or interest due thereunder and/or any deposits to be made pursuant to Section 2.20 hereof shall become overdue. Said Note requires the payment to Mortgagee of a late charge of three (3) percent of any amount of principal and/or interest and/or charges that are not paid within ten (10) days of the date when due. Said late charge shall be included in and become part of the Liabilities.

(b) Mortgagor represents that the proceeds of this loan will not be used for the purchase of registered equity securities within the purview of any regulation issued by the Board of Governors of the Federal Reserve System.

(c) Mortgagor on written request of Mortgagee will furnish Mortgagee a signed statement certifying, to the best of Mortgagor's knowledge, the amount of the Liabilities and whether or not any Default then exists hereunder and, if any Default or Defaults exist, specifying the nature of such Default or Defaults.

(d) Mortgagee shall have the right at its option to foreclose this Mortgage subject to the rights of any tenant or tenants under the Leases and the failure to make any such tenant or tenants a party defendant to any such civil action or to foreclose their rights will not be asserted by Mortgagor as a defense in any civil action instituted to collect the Liabilities, or any part thereof or any deficiency remaining unpaid after foreclosure and sale of the Collateral, any statute or rule of law at any time existing to the contrary notwithstanding.

(e) At the option of Mortgagee, this Mortgage shall become subject and subordinate, in whole or in part (but not with respect to priority of entitlement to insurance proceeds or any award in condemnation) to any and all of the Leases upon the execution by Mortgagee and recording or registering thereof, at any time hereafter, in the office wherein this Mortgage was recorded or registered, of a unilateral declaration to that effect.

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(f) Mortgagor represents and warrants that (i) the proceeds of the loan secured by this Mortgage will be used for the purposes specified in 815 ILCS 205/4(c), and that the principal obligation secured hereby constitutes a "business loan" within the purview of said paragraph, and (ii) the loan is a loan secured by a mortgage on real estate which comes within the purview of Section 205/4(1)(I) of said paragraph.

(g) Mortgagor represents and warrants, that if the disclosure requirements of the Illinois Responsible Property Transfer Act ("RPTA") 765ILCS90/1 et seq., apply to the loan transaction contemplated by this Mortgage, Mortgagor agrees to comply with RPTA and to timely execute and deliver to Mortgagee such disclosure documents as may be required by RPTA. Mortgagor agrees to place of record simultaneously with the recording of this Mortgage, any disclosure statement furnished to Mortgagee pursuant to this paragraph and also file simultaneously therewith a true and correct copy of said disclosure statement with the Illinois Environmental Protection Agency.

4.18. WAIVER OF JURY TRIAL.

MORTGAGOR (i) WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION TO ENFORCE OR DEFEND ANY MATTER ARISING FROM OR RELATED TO THIS MORTGAGE, THE NOTE OR ANY OF THE OTHER LOAN DOCUMENTS; (ii) IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN COOK COUNTY, ILLINOIS OVER ANY FORECLOSURE ACTION AND TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT IN COOK COUNTY, ILLINOIS OVER ANY OTHER ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY MATTER ARISING FROM OR RELATED TO THIS MORTGAGE, THE NOTE OR ANY OF THE OTHER LOAN DOCUMENTS; (iii) IRREVOCABLY WAIVES, TO THE FULLEST EXTENT MORTGAGOR MAY EFFECTIVELY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING; (iv) AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY OTHER JURISDICTION BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW; AND (v) AGREES NOT TO INSTITUTE ANY LEGAL ACTION OR PROCEEDING AGAINST MORTGAGEE OR ANY OF MORTGAGEE'S DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR PROPERTY, CONCERNING ANY MATTER ARISING OUT OF OR RELATING TO THIS MORTGAGE, THE NOTE OR ANY OF THE OTHER LOAN DOCUMENTS IN ANY COURT OTHER THAN ONE LOCATED IN COOK COUNTY, ILLINOIS. MORTGAGOR WAIVES PERSONAL SERVICE OF THE SUMMONS AND COMPLAINT, OR OTHER PROCESS OR PAPERS ISSUED IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY MATTER ARISING FROM OR RELATED TO THIS MORTGAGE, THE NOTE OR ANY OF THE OTHER LOAN DOCUMENTS, AND AGREES THAT SERVICE OF SUCH SUMMONS AND COMPLAINT, OR OTHER PROCESS OR PAPERS MAY BE MADE BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO MORTGAGOR AT THE ADDRESS OF MORTGAGOR SET FORTH ABOVE. SHOULD MORTGAGOR FAIL TO APPEAR OR ANSWER ANY SUMMONS, COMPLAINT, PROCESS OR PAPERS SO SERVED WITHIN

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THIRTY (30) DAYS AFTER THE MAILING THEREOF, IT SHALL BE DEEMED IN DEFAULT AND AN ORDER AND/OR JUDGMENT MAY BE ENTERED AGAINST IT AS DEMANDED OR PRAYED FOR IN SUCH SUMMONS, COMPLAINT, PROCESS OR PAPERS. NOTHING IN THIS SECTION 4.17 SHALL AFFECT OR IMPAIR MORTGAGEE'S RIGHT TO SERVE LEGAL PROCESS IN ANY MANNER PERMITTED BY LAW OR MORTGAGEE'S RIGHT TO BRING ANY ACTION OR PROCEEDING AGAINST MORTGAGOR OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION.

4.19. Usury Savings Clause.

All agreements herein and in the Note or any of the other Loan Documents are expressly limited so that in no contingency or event whatsoever, whether by reason of disbursement of the proceeds hereof, acceleration or otherwise, shall the amount paid or agreed to be paid to Mortgagee hereof for the use, forbearance or detention of the money to be disbursed under the Note, this Mortgage or any of the other Loan Documents exceed the highest lawful rate permissible under applicable usury laws. If, from any circumstances whatsoever, fulfillment of any provision of the Note, this Mortgage or of the other Loan Documents at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by law which a court of competent jurisdiction may deem applicable hereto, then, *ipso facto*, the obligation to be fulfilled shall be reduced to the limit of such validity and if from any circumstance Mortgagee shall ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the principal amount of the Note and not to the payment of interest.

4.20. Year 2000 Covenant.

Mortgagor has reviewed the areas within its business and operations which could be adversely affected by, and has developed a program to address the "Year 2000 Problem" (that is, the risk that computer applications used by Mortgagor may be unable to recognize and perform properly date-sensitive functions involving certain dates prior to and any date after December 31, 1999), and has made related appropriate inquiry of material suppliers and vendors. Based on such review and program, Borrower believes that the Year 2000 Problem has not had and will not have a material adverse affect on Mortgagor. From time to time, at the request of the Bank, Mortgagor shall provide to Mortgagee such updated information or documentation as is requested regarding the status of their efforts to address the Year 2000 Problem.

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IN WITNESS WHEREOF, Mortgagor has executed this Mortgage on the day and year first above written, pursuant to proper authority duly granted.

ENTERPRISE DRIVE, L.L.C., a Delaware limited liability company

By: Prime Group Realty, L.P., a Delaware limited partnership, its administrative member

By: Prime Group Realty Trust, a Maryland real estate investment trust, its managing general partner

By: 

Name: Paul Vol Vecchio

Its: Vice President

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Property of Cook County Clerk's Office

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Heath R. Fear, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT Paul G. DeVecchio, personally known to me to be the Vice President of PRIME GROUP REALTY TRUST, a Maryland real estate investment trust, the managing general partner of PRIME GROUP REALTY, L.P., a Delaware limited partnership, the administrative member of ENTERPRISE DRIVE, L.L.C., a limited liability company, organized and existing under the laws of the State of Delaware, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such V.P., he signed and delivered the said instrument pursuant to proper authority, as the free and voluntary act and deed of ENTERPRISE DRIVE, L.L.C., for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 17th day of May, 2000.

Heath R. Fear
Notary Public

Heath R. Fear
Printed Name

My Commission expires:

10/25/03

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EXHIBIT A Legal Description

THAT PART OF LOTS 1 AND 2 LYING NORTH OF THE FOLLOWING DESCRIBED LINE, BEGINNING AT A POINT ON THE WEST LINE OF SAID LOT 2 THAT IS 32.50 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT 2; THENCE SOUTH 89 DEGREES, 56 MINUTES, 35 SECONDS EAST TO A POINT ON THE WEST RIGHT OF WAY OF ENTERPRISE DRIVE, IN ENTERPRISE CENTRE SUBDIVISION, BEING A SUBDIVISION OF PART OF THE NORTHEAST ¼ OF SECTION 30, TOWNSHIP 39 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS ACCORDING TO THE PLAT THEREOF RECORDED ON AUGUST 4, 1989 AS DOCUMENT NUMBER 89357915.

Address: 2205-2255 Enterprise Drive
Westchester, Illinois

Permanent Index Number: 15-30-205-001-0000
15-30-205-002-0000

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EXHIBIT B

Permitted Exceptions

1. Taxes for the year 1999 second installment, and subsequent years not yet due or payable.
2. Grant of easement recorded November 20, 1981 as Document 26065905 between Central National Bank of Chicago, as Trustee under Trust Agreement dated November 7, 1979 and known as Trust Number 24100, Grantor and the Village of Westchester, Grantee, for a permanent roadway and for a permanent water line.
3. Grant of easement recorded December 17, 1981 as Document 26087773 between Central National Bank in Chicago, as Trustee under Trust Agreement dated November 7, 1979 and known as Trust Number 24100, Grantor, and Village of Westchester, Grantee, wherein the Grantee desires easements for construction purposes, public utility purposes, and for a temporary and permanent water line.
4. Grant of easement recorded March 22, 1982 as Document 26178145 between Central National Bank in Chicago, as Trustee under Trust Agreement dated November 7, 1979 and known as Trust Number 24100, Grantor, and Village of Westchester, a municipal corporation of Illinois, the Commonwealth Edison Company, an Illinois corporation, Illinois Bell Telephone Company, an Illinois corporation, and Northern Illinois Gas Company, an Illinois corporation, Grantees.
5. Agreements relating to the use, relocation and maintenance of easements granted by that reciprocal easement agreement recorded November 20, 1981 as Document 26065906 between Central National Bank in Chicago as Trustee under Trust Agreement dated November 7, 1979 known as Trust Number 24100 and Howard Lavaty and Joseph Vadovicky, holders of the Power of Direction (collectively "Lavaty") and the Village of Westchester, a municipal corporation of Illinois.
6. Agreements relating to the use, relocation and maintenance of easements granted by that reciprocal easement agreement recorded March 10, 1982 as Document 26167419 between the Catholic Bishop of Chicago, a corporation sole of Illinois and Central National Bank in Chicago, as Trustee under Trust Agreement dated November 7, 1979 known as Trust Number 24100 and Howard Lavaty, (collectively "Lavaty") and the Village of Westchester.
7. Easement in, upon, under, over and along the land to install and maintain all equipment for the purpose of serving the land and other property with gas service, together with right of access to said equipment, as created by grant to Northern Illinois Gas Company recorded May 7, 1986 as Document 86181041.
8. Easement in favor of the Commonwealth Edison Company and the Illinois Bell Telephone Company, and its/their respective successors and assigns, to install, operate and maintain all equipment necessary for the purpose of serving the land and other

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property, together with the right of access to said equipment, and the provisions relating thereto contained in the grant recorded/filed as Document No. 88128850.

9. Covenant and restriction contained in plat of Enterprise Centre Subdivision recorded as Document 89357915 which states there is hereby imposed upon and marked "public easement and storm sewer", a restrictive covenant, appurtenant to and running with said land and the lots on which said notations and markings appear, prohibiting the illegal alteration of any existing contour grade thereof, the installation, laying or depositing of any improvement or any fill therein also debris and rubbish, so as to interfere with or disturb, block, impede or alter the natural flow or natural retention of water therein.
10. Declaration and agreement regarding lot line adjustment, dated November 17, 1997 and recorded November 17, 1997 as Document 97867993 made by the Mutual Life Insurance Company of New York relating to adjustment of lot lines and relocation of parking.
11. Easements in favor of Northern Illinois Gas Co., Commonwealth Edison Co., and Illinois Bell Telephone Co. k/r/a Ameritech as created by plat of subdivision recorded as Document 89357915.
12. Covenants and restrictions (but omitting any such covenant or restriction based on race, color, religion, sex, handicap, familial status or national origin unless and only to the extent that said covenant (A) is exempt under Chapter 42, section 3607 of the United States Code or (B) relates to handicap but does not discriminate against handicapped persons), contained in the Deed dated April 10, 1944 and recorded May 11, 1944 as Document 13281647 relating to character, cost, location and use of the land and relating to easements.
13. 40 foot easement for ingress and egress over the west line of Lots 1 and 2 as per Document 13281647 and as shown on the plat of Enterprise Centre Subdivision, recorded August 4, 1989 as Document 89357915.
14. 25 foot building line over the east line of Lots 1 and 2 as shown on the plat of Enterprise Centre Subdivision recorded August 4, 1989 as Document 89357915.
15. 30 foot easement for ingress and egress and utilities as per Document 16754958 and as shown on the plat of Enterprise Centre Subdivision recorded August 4, 1989 as Document 89357915.
16. Rights of the following Lessees and of any person or party claiming by, through or under the Lessees under existing unrecorded leases:

National Restaurant Enterprises
Unity Home Health Care Plus
Suburban Primary Health Care Counsel
National Studios, Inc.
Jupiter Brokerage Service

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The Marley Company
GAB Robins North America
Partners in Design
Cincinnati Incorporated
Total Quality Communications, Inc.
Metrocall
Armstrong, McGirr & Bantz
Triton Community College
Cognitive Rehabilitation Specialists, Ltd.
GSA - Census Bureau
Higgins & White

17. 10 foot easement in favor of the Commonwealth Edison Company and Illinois, and its/their respective successors and assigns, to install, operate and maintain all equipment necessary for the purpose of serving the land and other property, together with the right of access to said equipment, and the provisions relating thereto contained in the grant recorded as Document No. 88128850, as depicted on the Enterprise Centre Subdivision Plat recorded as Document 89357915.
18. Retention pond as shown on plot of survey dated April 12, 2000 and prepared by W.C. Doland Engineering Company.

Document Number : 469839

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EXHIBIT C

Insurance Requirements

General Information

- a. All insurance policies referred to herein shall be in form and substance acceptable to *LaSalle Bank National Association* ("*LaSalle*").
- b. *LaSalle* must receive evidence/certificates of insurance at least **ten (10) business days prior to closing**. Original policies must be provided to *LaSalle* as soon as they are available from insurers. Certified copies should be available within 60 to 90 days.
- c. Proof of coverage must be on an ACORD 27 - EVIDENCE OF PROPERTY INSURANCE form. Liability insurance must be written on ACORD 75 or its equivalent.
NOTE: Please remove any "endeavor to" and "but failure to mail such notice shall impose . . . representatives" language as it relates to notices. Initial next to any deletions on the certificates.
- d. All property policies shall contain a standard mortgage clause in favor of *LaSalle* and shall provide for a thirty (30) day written notice to *LaSalle* of any material change or cancellation. Certificates with disclaimers will NOT be accepted.
- e. The borrower must be the named insured: Enterprise Drive, LLC
- f. Property & Builders Risk certificates must show *LaSalle* as **First Mortgagee and Loss Payee** as follows:
LaSalle Bank National Association
Commercial Real Estate
135 S. LaSalle Street
Chicago, IL 60603
- (*LaSalle* may be shown as "**Mortgagee and Loss Payee As Their Interests May Appear**" until the insurance agent receives release of interest from the prior lender. At that time, the insurance policies will need to be endorsed to show *LaSalle* as **First Mortgagee and Loss Payee.**)
- g. The property address must be identified as the insured property.

2205-2255 Enterprise Drive

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Westchester, IL

- h. All insurance companies must have the following ratings from *AM Best's Rating Guide*:

Policy Rating	<u>A</u>	Financial Rating	-
			<u>V</u>
			<u>I</u>
			<u>II</u>
			-

- i. The insurance documentation must be signed by an authorized representative.

Specific Requirements

- a. If the property policy is a blanket policy or limit, *LaSalle* must receive a schedule of the amount allocated to the property/rents or the amounts allocated to the property must be indicated on the certificate.
- b. Coverage must be on an "all risk" (Special Perils), 100% replacement cost basis without deduction for foundations and footings, and **WITHOUT** co-insurance. The co-insurance must be waived or an Agreed Amount endorsement must be included and either "**No Co-insurance**" or "**Agreed Amount**" must be indicated on the certificate.
- c. Ordinance or Law coverage providing for demolition and increased cost of construction, must be provided and indicated on the certificate.
- d. Other coverages such as earthquake, boiler and machinery (which includes the mechanics of the building, such as elevators), and flood will be required when these risks are present.
- e. Rent Loss or Business Income coverage shall be in an amount equal to 100% of the projected annual rents or revenue with a minimum period of Indemnity of 12 months, or such greater period as *LaSalle* may require. This coverage needs to be written on a Gross Rental Income, Gross Profits or Extended Period of Indemnity form, not on an actual loss sustained basis which may terminate as soon as the premises are tenantable or operational.
- f. *LaSalle Bank National Association* and Enterprise Drive, LLC must be named as Additional Insured for all general liability coverage, with a minimum limit of \$2,000,000 for any one occurrence.

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EXHIBIT D

Subordination, Non-Disturbance and Attornment Agreement

This document prepared by and after recording should be returned to:

Aaron M. Muhly, Esq.
Jenner & Plock
One IBM Plaza
Chicago, Illinois
60611

ABOVE SPACE FOR RECORDERS USE ONLY

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "Agreement") is made as of the ___ day of _____, 2000 between LASALLE BANK NATIONAL ASSOCIATION, a national banking association (hereinafter called "Mortgagee"), which has an office at 135 South LaSalle Street, Chicago, Illinois 60603 and _____ (hereinafter called "Tenant"), which has an office at _____.

WITNESSETH:

WHEREAS, Tenant has entered into that certain lease agreement dated _____, with _____ ("Landlord"), as lessor, which lease agreement covers certain premises (the "Premises") in that certain real property commonly known as _____, Illinois and

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more particularly described on Exhibit A attached hereto and made a part hereof (herein, said lease agreement, together with any and all amendments, modifications, extensions, renewals, consolidations and replacements thereof now existing or hereafter, with the consent of Mortgagee, entered into, are collectively called the "Lease");

WHEREAS, Mortgagee has agreed to make a construction loan to Borrower, to be secured by the lien of a mortgage (herein, together with all amendments, modifications, extensions, renewals, consolidations and replacements thereof, and substitutions therefor, now existing or hereafter entered into, collectively called the "Mortgage") on the Property; and

WHEREAS, the parties hereto desire to set forth their agreement as hereinafter set forth.

NOW THEREFORE, in consideration of the premises and of the sum of One Dollar (\$1.00) by each party in hand paid to the other, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

g. The Lease (including all of the terms, covenants and provisions thereof) is and shall be subject and subordinate to the Mortgage, and all renewals, modifications, consolidations, replacements, substitutions, additions, and extensions thereof, to the full extent of any and all amounts from time to time secured thereby and interest thereon.

h. Tenant, for itself and its successors and assigns, agrees that it will attorn to and recognize any purchaser of the Property at a foreclosure sale under the Mortgage or any transferee who acquires the Property by deed in lieu of foreclosure or otherwise, and the successors and assigns of such purchaser or transferee, as its landlord for the unexpired balance (and any extensions or renewals, if previously, at that time or thereafter exercised by Tenant) of the term of the Lease upon the same terms and conditions set forth in the Lease, and Tenant shall promptly execute and deliver any instrument that the New Landlord (as hereinafter defined) may reasonably request in writing to evidence further such attornment.

i. Mortgagee, for itself and its successors and assigns, and for any purchaser at a foreclosure sale under the Mortgage, any transferee who acquires the Property by deed in lieu of foreclosure or otherwise, and the successors and assigns of such purchaser and transferee (herein, Mortgagee and each such other party is called a "New Landlord"), hereby covenants and agrees with Tenant that in the event Mortgagee or other New Landlord shall commence any proceedings to foreclose the Mortgage for any reason whatsoever or shall succeed to the

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interest of Landlord by foreclosure, deed in lieu thereof or otherwise, provided Tenant is not then in default under the Lease, and for so long as Tenant is not in default under the Lease, that: (a) the Lease shall, in accordance with its terms, remain in full force and effect as a direct indenture of lease between Mortgagee or such other New Landlord (as the case may be), and Tenant, with the same force and effect as if originally entered into with Mortgagee or such other New Landlord (as the case may be); and (b) Tenant's possession of the Premises and Tenant's rights and privileges under the Lease shall not be diminished, interfered with or disturbed by such Mortgagee or such other New Landlord by such foreclosure under the Mortgage or by any such attempt to foreclose or to succeed to the interests of Landlord by foreclosure, deed in lieu thereof or otherwise.

j. Tenant hereby agrees to provide Mortgagee with written notice of any default under the Lease by the Landlord (at the same time any default notice is sent to Landlord). Prior to Tenant exercising any right or remedy under the Lease as a result of such default, Tenant shall permit Mortgagee to remedy such default within a reasonable time (including the time reasonably required for Mortgagee to obtain possession of the Premises if such possession is necessary to effect such cure) after receipt of the notice by Tenant of its desire to exercise such a right or remedy due to Landlord's default. Notwithstanding the foregoing, Tenant agrees that Mortgagee shall have no obligation to remedy any such default.

k. Tenant agrees from time to time, upon not less than ten (10) days' prior written request by Mortgagee, to execute, acknowledge and deliver to Mortgagee an estoppel certificate containing such information with respect to Tenant and the Lease as Mortgagee may reasonably require.

l. In the event that Mortgagee or any other New Landlord shall succeed to the interest of Landlord under the Lease, Tenant agrees as follows:

a. Mortgagee or such other New Landlord shall not be: (i) subject to any credits, offsets, defenses, claims or counterclaims which Tenant might have against any prior landlord (including Landlord), (ii) bound by any rent or additional rent which Tenant shall have paid more than one month in advance to any prior landlord (including Landlord), (iii) bound by any covenant to undertake or complete any improvement to the Premises or the Property (other than the construction of the Premises as contemplated by the Lease), or (iv) bound by any amendment or modification to the Lease, or waiver of any provision of the Lease executed after the date hereof, which has not been consented to in writing by Mortgagee;

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b.No New Landlord (including, without limitation, Mortgagee) shall be liable for: (i) any act or omission of any prior landlord (including Landlord), (ii) return of any security deposit made by Tenant to Landlord unless such New Landlord shall have actually received such security deposit from Landlord, or (iii) any payment to Tenant of any sums, or the granting to Tenant of any credit in the nature of a contribution towards the cost of preparing, furnishing or moving into the Premises or any portion thereof; and

c.Tenant shall look solely to the Property for recovery of any judgment or damages from Mortgagee or such other New Landlord, and neither Mortgagee or such other New Landlord shall have any personal liability, directly or indirectly, under or in connection with the Lease or this Agreement or any amendment or amendments to either thereof made at any time or times, heretofore or hereafter, and Tenant hereby forever and irrevocably waives and releases any and all such personal liability. In addition, neither Mortgagee or such other New Landlord nor any successor or assign of Mortgagee or such other New Landlord shall have at any time or times hereafter any personal liability, directly or indirectly, under or in connection with or secured by any agreement, lease, instrument, encumbrance, claim or right affecting or relating to the Property or the Collateral (defined for purposes hereof as defined in the Mortgage) or to which the Property or the Collateral is now or hereafter subject. The limitation of liability provided in this paragraph is in addition to, and not in limitation of, any limitation on liability applicable to Mortgagee or such other New Landlord provided by law or by any other contract, agreement or instrument.

m.Tenant, for itself and its successors and assigns, agrees that, without the prior written consent of Mortgagee, Tenant will not (a) enter into any subordination agreement with any person other than Mortgagee; or (b) agree to attorn to or recognize any person other than the Mortgagee or any transferee who acquires the Property by deed in lieu of foreclosure or otherwise under any lien other than that of the Mortgage (provided, however, that this provision shall not be deemed to constitute Mortgagee's consent to the placing of any lien other than the Mortgage on the Property).

n.So long as the Mortgage is in effect, Tenant will not, without Mortgagee's prior written consent, (a) agree to any assignment, sublet, adjustment, modification, supplement or amendment to the Lease, (b) pay any rent under the Lease more than one (1) month in advance, or (c) agree to any termination, cancellation or surrender of the Lease.

o.Each notice, demand or other communication in connection with this Agreement shall be in writing and shall be deemed to be given to and served upon the addressee thereof on the earlier of (i) actual delivery to such addressee

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at its address set out above, or (ii) the third business day after the deposit thereof in the United States mails, registered or certified mail, return receipt requested, first-class postage prepaid, addressed to such addressee at its address set out above, with a copy to, in the case of communications to Mortgagee, Jenner & Block, One IBM Plaza, Chicago, Illinois 60611, attention: Donald I. Resnick. By notice complying with this section, any party may from time to time designate a different address as its address for the purpose of the receipt of notice hereunder.

p. This Agreement may not be modified, amended, or terminated unless in writing and duly executed by the party against whom the same is sought to be asserted and constitutes the entire agreement between the parties with respect to the subject matter thereof.

q. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and assigns.

r. This Agreement may be executed in any number of counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same instrument.

s. This Agreement shall be governed by, and construed and enforced in accordance with the laws of the State of Illinois.

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IN WITNESS WHEREOF, the parties hereto have executed and delivered this document as of the day and hear first above written.

Mortgagee

LASALLE BANK NATIONAL
ASSOCIATION, a national
banking association

By: _____

Name: _____

Title: _____

Tenant

By: _____

Name: _____

Title: _____

Property of Cook County Clerk's Office

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EXHIBIT A

Legal Description

Property of Cook County Clerk's Office

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT _____, personally known to me to be the _____ President of LASALLE BANK NATIONAL ASSOCIATION, a national banking association, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such he signed and delivered the said instrument pursuant to property authority given by the Board of Directors of said national banking association, as his free and voluntary act, and as the free and voluntary act and deed of said national banking association, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ___ day of March, 2000.

Notary Public

[SEAL]

My Commission expires:

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STATE OF ILLINOIS)
)
COUNTY OF COOK) SS

I, _____, a Notary Public, do hereby certify that _____, personally known to me to be the _____ of _____, a _____ corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such _____ he signed and delivered the said instrument as _____ of said corporation, pursuant to authority, given by the Board of Directors of said corporation as his free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this ____ day of March, 2000.

Notary Public

[SEAL]

My Commission expires:

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