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0323210024

Eugene "Gene" Moore Fee: \$66.00

Cook County Recorder of Deeds

Date: 08/20/2003 10:38 AM Pg: 1 of 22

GUARANTY NATIONAL TITLE CO.

**MORTGAGE AND SECURITY AGREEMENT
WITH ASSIGNMENT OF RENTS**

03 - 0711

This Mortgage dated August 15, 2003, between Casa Central Padres Corporation, an Illinois not-for-profit corporation (hereinafter referred to as "*Mortgagor*") and Harris Trust and Savings Bank, an Illinois banking corporation with its principal place of business at 111 West Monroe Street, Chicago, Illinois 60607 (hereinafter referred to as "*Mortgagee*"):

WITNESSETH THAT:

WHEREAS, Mortgagee has issued its irrevocable transferable letter of credit in the original stated amount of \$3,034,521.00 for the account of Mortgagor (such letter of credit, as amended, and any and all letters of credit issued in renewal thereof or in substitution or replacement therefor, being hereinafter referred to as the "*Letter of Credit*") pursuant to that certain Reimbursement Agreement dated as of August 15, 2003 (the "*Reimbursement Agreement*"), between the Mortgagor and the Mortgagee, which Letter of Credit has been issued to secure \$3,000,000.00 aggregate principal amount of the \$4,000,000.00 aggregate original principal amount of the Issuer's Weekly Adjustable/Fixed Rate Revenue Bonds, Series 1996 (the "*Bonds*") which Bonds mature on August 1, 2026; and

WHEREAS, the stated expiration date of the Letter of Credit is initially June 30, 2006 and may be extended to August 1, 2026; and

WHEREAS, under the terms of the Reimbursement Agreement, the Mortgagor is justly and truly obligated to reimburse Mortgagee for any drawings made under the Letter of Credit and to pay to Mortgagee all other indebtedness, obligations and liabilities of the Mortgagor to Mortgagee under the Reimbursement Agreement or under any other Related Document (as defined in the Reimbursement Agreement), together with interest thereon at the rates per annum

This Mortgage Prepared By And
After Recording Return To:
Stacy Bond
Harris Trust and Savings Bank
111 West Monroe Street - 2W
Chicago, Illinois 60690

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as set forth in the Reimbursement Agreement and at the times herein and therein provided (hereinafter referred to collectively as the "*Reimbursement Obligations*"); and

WHEREAS, the Reimbursement Obligations not sooner paid or payable, will become due and payable on the Termination Date (as defined in the Reimbursement Agreement).

WHEREAS, Pueblo Social Services Corporation (f/k/a Casa Central Social Services Corporation), an Illinois not for profit corporation, (hereinafter referred to as "*Social Services*") and Center Home for Hispanic Elderly, an Illinois not for profit corporation, (hereinafter referred to as "*Center Home*") have jointly and severally guaranteed the payment and performance of the Mortgagee under the Reimbursement Agreement pursuant to a Guarantee Agreement dated as of even date herewith, between Social Services, Center Home and the Mortgagee (as amended and supplemented from time to time, the "*Padres Guaranty*").

WHEREAS, Mortgagee has agreed to make loans and other credit arrangements available to Social Services in an aggregate principal amount not to exceed One Million and 00/100 Dollars (\$1,000,000.00) as evidenced by that certain Promissory Note bearing even date herewith and payable to the order of Mortgagee (such promissory note and any and all notes issued in renewal thereof or in substitution or replacement therefor being hereinafter referred to as the "*Social Services Note*") whereby Social Services promises to pay said principal sum together with interest thereon at the rate per annum and at the times specified in that certain Line of Credit Agreement bearing even date herewith, between Social Services and the Mortgagee (as amended and supplemented from time to time, the "*Social Services Credit Agreement*");

WHEREAS, Mortgagor and Center Home have jointly and severally guaranteed the payment and performance of Social Services under the Social Services Note and Social Services Credit Agreement pursuant to a Guarantee Agreement dated as of even date herewith, between the Mortgagor, Center Home and the Mortgagee (as amended and supplemented from time to time, the "*Social Services Guaranty*").

WHEREAS, Center Home, is justly and truly indebted to Mortgagee in the principal sum of Two Hundred Seventy-five Thousand Three Hundred Fifteen and 00/100 Dollars (\$275,315.00) as evidenced by that certain Term Note bearing even date herewith and payable to the order of Mortgagee (such term note and any and all notes issued in renewal thereof or in substitution or replacement therefor being hereinafter referred to as the "*Term Note*") whereby Center Home promises to pay said principal sum together with interest thereon at the rate per annum and at the times specified in the Term Note;

WHEREAS, Mortgagee has agreed to make loans and other credit arrangements available to Center Home in an aggregate principal amount not to exceed One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00) as evidenced by that certain Promissory Note bearing even date herewith and payable to the order of Mortgagee (such promissory note and any and all notes issued in renewal thereof or in substitution or replacement therefor being hereinafter referred to as the "*Center Home Note*" and collectively with the Term Note and the Social Services Note, the "*Notes*") whereby Center Home promises to pay said principal sum together

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with interest thereon at the rate per annum and at the times specified in that certain Line of Credit Agreement bearing even date herewith, between Center Home and the Mortgagee (as amended and supplemented from time to time, the "*Center Home Credit Agreement*") and together with the Social Services Credit Agreement, the "*Credit Agreements*");

WHEREAS, Mortgagor and Social Services have jointly and severally guaranteed the payment and performance of Center Home under the Term Note and the Center Home Note and Center Home Credit Agreement pursuant to a Guarantee Agreement dated as of even date herewith, between the Mortgagor, Social Services and the Mortgagee (as amended and supplemented from time to time, the "*Center Home Guaranty*") and collectively with the Padres Guaranty and the Social Services Guaranty, the "*Guarantees*").

NOW, THEREFORE, to secure (i) the payment of the Reimbursement Obligations as and when the same become due and payable (whether by lapse of time, acceleration or otherwise), (ii) the payment of the principal and premium, if any, of and interest on the Social Services Note as and when the same becomes due and payable (whether by demand or otherwise) and all advances now or hereafter evidenced thereby, (iii) the payment of the principal and premium, if any, of and interest on the Term Note as and when the same becomes due and payable (whether by demand or otherwise), (iv) the payment of the principal and premium, if any, of and interest on the Center Home Note as and when the same becomes due and payable (whether by demand or otherwise) and all advances now or hereafter evidenced thereby, (v) the payment of all other indebtedness, obligation and liabilities which this Mortgage secures pursuant to any of its terms and (vi) the observance and performance of all covenants and agreements contained herein, in the Reimbursement Agreement, the Notes, the Credit Agreements or in any other instrument or document at any time evidencing or securing any of the foregoing or setting forth terms and conditions applicable thereto (all of such indebtedness, obligations and liabilities described in clauses (i), (ii), (iii), (iv), (v) and (vi) above being hereinafter collectively referred to as the "*Secured Indebtedness*"), Mortgagor does hereby grant, bargain, sell, convey, mortgage, warrant, assign and pledge unto Mortgagee, its successors and assigns, and grant to Mortgagee, its successors and assigns a security interest in, all and singular the properties, rights, interests, titles and privileges of the Mortgagor, whether now owned or hereafter acquired, described in Granting Clauses I, II, IV, V, VI, VII and VIII below, all of the same being collectively referred to herein as the "*Mortgaged Premises*");

GRANTING CLAUSE I

That certain real estate lying and being in Chicago, County of Cook and State of Illinois described in Schedule I hereto and made a part hereof (the "*Land*").

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GRANTING CLAUSE II

All buildings and improvements of every kind and description heretofore or hereafter erected or placed on the Land and all materials intended for construction, reconstruction, alteration and repairs of the buildings and improvements, all of which materials shall be deemed to be included within the premises immediately upon the delivery thereof to the Land (the "*Improvements*").

GRANTING CLAUSE III

All fixtures, machinery, apparatus, equipment, fittings and articles of personal property now or hereafter attached to or contained in or used or useful in connection with the Land and the Improvements and the operation, maintenance and protection and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are or shall be attached to the Land or the Improvements in any manner (collectively, the "*Equipment*").

GRANTING CLAUSE IV

All present or future leases or subleases, whether written or oral, or any lettings of, possession of, or any agreements for the use of or occupancy of, the whole or any part of the Land and the Improvements which the Mortgagor has made or agreed to, or may hereafter make or agree to, or which may be made or agreed to by the Mortgagee under the powers granted in this Mortgage, including all amendments and supplements to and renewals thereof at any time made (collectively, the "*Leases*"), together with all and singular the estates, tenements, hereditaments, privileges, easements, licenses, franchises, appurtenances, and royalties, mineral, oil, and water rights belonging or in any way appertaining to the Land and the Improvements and all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing (including all deposits of money as advanced rent or for security) under any and all of the foregoing, or under any contracts or options for the sale of all or any part of, such property (including during any period allowed by law for the redemption of such property after any foreclosure or other sale), together with the right, but not the obligation, to collect, receive and receipt for all such rents and other sums and apply them to the Secured Indebtedness and to demand, sue for and recover the same when due or payable.

GRANTING CLAUSE V

All judgments, awards of damages, settlements and other compensation heretofore or hereafter made resulting from condemnation proceedings or the taking of the Land or any part thereof or any building or other Improvement or any easement or other appurtenance thereto under the power of eminent domain, or any similar power or right (including any award from the United States Government at any time after the allowance of the claim therefor, the ascertainment of the amount thereof and the issuance of the warrant for the payment thereof), whether

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permanent or temporary, or for any damage (whether caused by such taking or otherwise) to such property or any part thereof or the improvements thereon or any part thereof, or to any rights appurtenant thereto, including severance and consequential damage, and any award for change of grade of streets (collectively "*Condemnation Awards*").

GRANTING CLAUSE VI

All property and rights which are by the express provisions of this Mortgage required to be subjected to the lien hereof and any additional property and rights that may from time to time hereafter be subjected to the lien hereof.

GRANTING CLAUSE VII

All rights in and to common areas and access roads on adjacent properties heretofore or hereafter granted to Mortgagor and any after-acquired title or reversion in and to the beds of any ways, roads, streets, avenues and alleys adjoining the property described in Granting Clause I or any part thereof.

GRANTING CLAUSE VIII

All proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or other liquidated claims, including, without limitation, all proceeds of insurance.

TO HAVE AND TO HOLD the Mortgaged Premises and the properties, rights and privileges hereby granted, bargained, sold, conveyed, mortgaged, pledged and assigned, and in which a security interest is granted, or intended so to be, unto Mortgagee, its successors and assigns, forever; provided, however, that this Mortgage is upon the express condition that if all Secured Indebtedness shall be fully paid and performed and all commitments contained in the Credit Agreements or the Reimbursement Agreement to extend credit thereunder shall have terminated, then this Mortgage and the estate and rights hereby granted shall cease, determine and be void and this Mortgage shall be released by Mortgagee upon the written request and at the expense of Mortgagor, otherwise to remain in full force and effect.

It is expressly understood and agreed that the Secured Indebtedness will in no event exceed two hundred percent (200%) of (i) the total face amounts of Notes plus (ii) the total interest which may hereafter accrue under Notes on such face amounts plus (iii) the total face amount of the Letter of Credit plus (vi) the total interest which may hereafter accrue under the Reimbursement Obligations plus (v) any fees, costs or expenses which may be payable hereunder.

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Mortgagor hereby covenants and agrees with Mortgagee as follows:

1. *Payment of the Indebtedness.* The Secured Indebtedness will be promptly paid as and when the same becomes due.

2. *Further Assurances.* Mortgagor will execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectively the purpose of this Mortgage and, without limiting the foregoing, to make subject to the lien hereof any property agreed to be subjected hereto or covered by the Granting Clauses hereof or intended so to be.

3. *Ownership of Mortgaged Premises.* Mortgagor covenants and warrants that it has good and marketable title to the Mortgaged Premises free and clear of all liens, charges and encumbrances whatsoever except for those liens, charges and encumbrances set forth in the ALTA loan policy provided by Mortgagor to Mortgagee of even date herewith and Mortgagor has good title, full power and authority to convey, transfer and mortgage the same to Mortgagee for the uses and purposes set forth in this Mortgage; and Mortgagor will warrant and defend the title to the Mortgaged Premises against all claims and demands whatsoever.

4. *Possession.* Provided no Event of Default (as hereinafter defined) has occurred and is continuing hereunder, Mortgagor shall be suffered and permitted to remain in full possession, enjoyment and control of the Mortgaged Premises, subject always to the observance and performance of the terms of this Mortgage.

5. *Payment of Taxes.* Mortgagor shall pay before any penalty attaches, all general taxes and all special taxes, special assessments, water, drainage and sewer charges and all other charges of any kind whatsoever, ordinary or extraordinary, which may be levied, assessed, imposed or charged on or against the Mortgaged Premises or any part thereof and which, if unpaid, might by law become a lien or charge upon the Mortgaged Premises or any part thereof, and shall, upon written request, exhibit to Mortgagee official receipts evidencing such payments, except that, unless and until foreclosure, distraint, sale or other similar proceedings shall have been commenced, no such charge or claim need be paid if being contested (except to the extent any full or partial payment shall be required by law), after notice to Mortgagee by appropriate proceedings which shall operate to prevent the collection thereof or the sale or forfeiture of the Mortgaged Premises or any part thereof to satisfy the same, conducted in good faith and with due diligence and if Mortgagor shall have furnished such security, if any, as may be required in the proceedings or requested by Mortgagee.

6. *Payment of Taxes on Note, Mortgage or Interest of Mortgagee.* Mortgagor agrees that if any tax, assessment or imposition upon this Mortgage or the Secured Indebtedness or the Note or the interest of Mortgagee in the Mortgaged Premises or upon Mortgagee by reason of or as a holder of any of the foregoing (including, without limitation, corporate privilege, franchise and excise taxes, but excepting therefrom any income tax on interest payments on the principal portion of the Secured Indebtedness imposed by the United States or any state) is levied, assessed or charged, then, unless all such taxes are paid by Mortgagor to, for or on behalf of Mortgagee as they become due and payable (which Mortgagor agrees to do upon demand of Mortgagee, to the

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extent permitted by law), or Mortgagee is reimbursed for any such sum advanced by Mortgagee, all sums hereby secured shall become immediately due and payable, at the option of Mortgagee upon 30 days' notice to Mortgagor, notwithstanding anything contained herein or in any law heretofore or hereafter enacted, including any provision thereof forbidding Mortgagor from making any such payment. Mortgagor agrees to exhibit to Mortgagee, upon request, official receipts showing payment of all taxes and charges which Mortgagor is required to pay hereunder.

7. *Recordation and Payment of Taxes and Expenses Incident Thereto.* Mortgagor will cause this Mortgage, all mortgages supplemental hereto and any financing statement or other notice of a security interest required by Mortgagee at all times to be kept, recorded and filed at its own expense in such manner and in such places as may be required by law for the recording and filing or for the re-recording and re-filing of a mortgage, security interest, assignment or other lien or charge upon the Mortgaged Premises, or any part thereof, in order fully to preserve and protect the rights of Mortgagee hereunder and, without limiting the foregoing, Mortgagor will pay or reimburse Mortgagee for the payment of any and all taxes, fees or other charges incurred in connection with any such recordation or re-recordation, including any documentary stamp tax or tax imposed upon the privilege of having this Mortgage or any instrument issued pursuant hereto recorded.

8. *Insurance.* Mortgagor will, at its expense, keep all buildings, improvements, equipment and other property now or hereafter constituting part of the Mortgaged Premises insured against loss or damage by fire, lightning, windstorm, explosion and such other risks as are usually included under extended coverage policies, or which are usually insured against by owners of like property, in an amount sufficient to prevent Mortgagor or Mortgagee from becoming a co-insurer of any partial loss under applicable policies and in any event not less than the then full insurable value (actual replacement value without deduction for physical depreciation) thereof, as determined at the request of Mortgagee and at Mortgagor's expense by the insurer or insurers or by an expert approved by Mortgagee, all under insurance policies payable, in case of loss or damage, to Mortgagee, such rights to be evidenced by the usual standard non-contributory form of mortgage clause to be attached to each policy. Mortgagor shall not carry separate insurance concurrent in kind or form and contributing in the event of loss, with any insurance required hereby. Mortgagor shall also obtain and maintain public liability, property damage and workmen's compensation insurance in each case in form and content satisfactory to Mortgagee and in amounts as are customarily carried by owners of like property and approved by Mortgagee.

Mortgagor shall also obtain and maintain such other insurance with respect to the Mortgaged Premises in such amounts and against such insurable hazards as Mortgagee from time to time may reasonably require, including, without limitation, boiler and machinery insurance, insurance against flood risks, host liquor liability, war risk insurance when and to the extent obtainable from the United States Government or any agency thereof, and insurance against loss of rent due to fire and risks now or hereafter embraced by so-called "extended coverage". All insurance required hereby shall be maintained with good and responsible insurance companies satisfactory to Mortgagee and shall not provide for any deductible amount not approved in writing by Mortgagee, shall provide that any losses shall be payable notwithstanding any act or negligence of Mortgagor, shall provide that no cancellation thereof shall be effective until at least 30 days after

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receipt by Mortgagor and Mortgagee of written notice thereof, and shall be satisfactory to Mortgagee in all other respects. Upon the execution of this Mortgage and thereafter not less than 15 days prior to the expiration date of any policy delivered pursuant to this Mortgage, Mortgagor will deliver to Mortgagee originals of any policy or renewal policy, as the case may be, required by this Mortgage, bearing notations evidencing the payment of all premiums. In the event of foreclosure, Mortgagor authorizes and empowers Mortgagee to effect insurance upon the Mortgaged Premises in amounts aforesaid for a period covering the time of redemption from foreclosure sale provided by law, and if necessary therefor to cancel any or all existing insurance policies.

UNLESS THE MORTGAGOR PROVIDES THE MORTGAGEE WITH EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY THIS MORTGAGE, THE MORTGAGEE MAY PURCHASE INSURANCE AT THE MORTGAGOR'S EXPENSE TO PROTECT THE MORTGAGEE'S INTERESTS IN THE MORTGAGED PREMISES. THIS INSURANCE MAY, BUT NEED NOT, PROTECT THE MORTGAGOR'S INTERESTS IN THE MORTGAGED PREMISES. THE COVERAGE PURCHASED BY THE MORTGAGEE MAY NOT PAY ANY CLAIMS THAT THE MORTGAGOR MAKES OR ANY CLAIM THAT IS MADE AGAINST THE MORTGAGOR IN CONNECTION WITH THE MORTGAGED PREMISES. THE MORTGAGOR MAY LATER CANCEL ANY SUCH INSURANCE PURCHASED BY THE MORTGAGEE, BUT ONLY AFTER PROVIDING THE MORTGAGEE WITH EVIDENCE THAT THE MORTGAGOR HAS OBTAINED INSURANCE AS REQUIRED BY THIS MORTGAGE. IF THE MORTGAGEE PURCHASES INSURANCE FOR THE MORTGAGED PREMISES, THE MORTGAGOR WILL BE RESPONSIBLE FOR THE COSTS OF THAT INSURANCE, INCLUDING INTEREST AND ANY OTHER CHARGES THAT THE MORTGAGEE MAY IMPOSE IN CONNECTION WITH THE PLACEMENT OF THE INSURANCE, UNTIL THE EFFECTIVE DATE OF THE CANCELLATION OR EXPIRATION OF THE INSURANCE. THE COSTS OF THE INSURANCE MAY BE ADDED TO THE SECURED INDEBTEDNESS. THE COSTS OF THE INSURANCE MAY BE MORE THAN THE COST OF INSURANCE THE MORTGAGOR MAY BE ABLE TO OBTAIN ON ITS OWN.

9. *Damage to or Destruction of Mortgaged Premises.*

(a) *Notice.* In case of any material damage to or destruction of the Mortgaged Premises or any part thereof, Mortgagor shall promptly give written notice thereof to Mortgagee, generally describing the nature and extent of such damage or destruction.

(b) *Restoration.* In case of any damage to or destruction of the Mortgaged Premises or any part thereof; and, if Mortgagee releases the insurance proceeds as provided in Subsection 9(d) below, then Mortgagor, whether or not the insurance proceeds, if any, received on account of such damage or destruction shall be sufficient for the purpose, at Mortgagor's expense, will promptly commence and complete (subject to unavoidable delays occasioned by strikes, lockouts, acts of God, inability to obtain labor or materials, governmental restrictions and similar causes beyond the reasonable control of Mortgagor) the restoration, replacement or rebuilding of the Mortgaged Premises as nearly as possible to its value, condition and character immediately prior to such damage or destruction.

(c) *Adjustment of Loss.* Mortgagor hereby authorizes Mortgagee, at Mortgagee's option, to adjust and compromise any losses under any insurance afforded, but unless Mortgagee

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elects to adjust the losses as aforesaid, said adjustment and/or compromise shall be made by Mortgagor, subject to final approval of Mortgagee in the case of losses exceeding \$100,000.00.

(d) *Application of Insurance Proceeds.* Net insurance proceeds received by Mortgagee under the provisions of this Mortgage or any instruments supplemental hereto or thereto or under any policy or policies of insurance covering the Mortgaged Premises or any part thereof shall first be applied toward the payment of the amount owing on the Secured Indebtedness in such order of application as Mortgagee may elect whether or not the same may then be due or be otherwise adequately secured; provided, however, that Mortgagee shall have the right, but not the duty, to release the proceeds thereof for use in restoring the Mortgaged Premises or any part thereof for or on behalf of Mortgagor in lieu of applying said proceeds to the Secured Indebtedness and for such purpose may do all acts necessary to complete such restoration, including advancing additional funds, and any additional funds so advanced shall constitute part of the Secured Indebtedness and shall be payable on demand with interest at the Default Rate.

10. *Eminent Domain.* Mortgagor acknowledges that Condemnation Awards have been assigned to Mortgagee, which awards Mortgagee is hereby irrevocably authorized to collect and receive, and to give appropriate receipts and acquittances therefor, and at Mortgagee's option, to apply the same toward the payment of the amount owing on account of the Secured Indebtedness in such order of application as Mortgagee may elect and whether or not the same may then be due and payable or otherwise adequately secured. Mortgagor covenants and agrees that Mortgagor will give Mortgagee immediate notice of the actual or threatened commencement of any proceedings under condemnation or eminent domain affecting all or any part of the Mortgaged Premises including any easement therein or appurtenance thereof or severance and consequential damage and change in grade of streets, and will deliver to Mortgagee copies of any and all papers served in connection with any such proceedings. Mortgagor further covenants and agrees to make, execute and deliver to Mortgagee, at any time or times upon request, free, clear and discharged of any encumbrances of any kind whatsoever, any and all further assignments and/or instruments deemed necessary by Mortgagee for the purpose of validly and sufficiently assigning all awards and other compensation heretofore and hereafter to be made to Mortgagor for any taking, either permanent or temporary, under any such proceeding.

11. *Construction, Repair, Waste, Etc.* Mortgagor agrees that no building or other improvement on the Mortgaged Premises and constituting a part thereof shall be altered, removed or demolished nor shall any fixtures or appliances on, in or about said buildings or improvements be severed, removed, sold or mortgaged, without the consent of Mortgagee, except for minor alterations (less than \$50,000.00) and the replacement of fixtures, chattels or articles of personal property covered hereby that in the reasonable business judgement of the Mortgagor have become obsolete, uneconomical or worn out; and in the event of the demolition or destruction in whole or in part of any of the fixtures, chattels or articles of personal property covered hereby, Mortgagor covenants that the same will be replaced promptly by similar fixtures, chattels and articles of personal property at least equal in quality and condition to those replaced, free from any security

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interest in or encumbrance thereon or reservation of title thereto, except as permitted hereby; to permit, commit or suffer no waste, impairment or deterioration, other than normal wear and tear, of the Mortgaged Premises or any part thereof; to keep and maintain said Mortgaged Premises and every part thereof in good and first class repair and condition; to effect such repairs as Mortgagee may reasonably require and from time to time to make all needful and proper replacements and additions so that said buildings, fixtures, machinery and appurtenances will, at all times, be in good and first class condition, fit and proper for the respective purposes for which they were originally erected or installed; to comply with all statutes, orders, requirements or decrees relating to the Mortgaged Premises by any federal, state or municipal authority; to observe and comply with all conditions and requirements necessary to preserve and extend any and all rights, licenses, permits (including, but not limited to, zoning variances, special exceptions and non-conforming uses), privileges, franchises and concessions which are applicable to the Mortgaged Premises or which have been granted to or contracted for by Mortgagor in connection with an existing or presently contemplated use of the Mortgaged Premises or any part thereof and not to initiate or acquiesce in any changes to or terminations of any of the foregoing or of zoning classifications affecting the use to which the Mortgaged Premises or any part thereof may be put without the prior written consent of Mortgagee; and to make no material alterations in or improvements or additions to the Mortgaged Premises except as required by governmental authority or as permitted by Mortgagee, that would reasonably be expected to have a material adverse effect on the fair market value of the Mortgaged Premises.

12. *Liens and Encumbrances.* Mortgagor will not, without the prior written consent of Mortgagee, directly or indirectly, create or suffer to be created or to remain and will discharge or promptly cause to be discharged any mortgage, lien, encumbrance or charge on, pledge of, or conditional sale or other title retention agreement with respect to, the Mortgaged Premises or any part thereof, whether superior or subordinate to the lien hereof, except for this Mortgage.

13. *Right of Mortgagee to Perform Mortgagor's Covenants, Etc.* If Mortgagor shall fail to make any payment or perform any act required to be made or performed hereunder, Mortgagee, without waiving or releasing any obligation or default, may (but shall be under no obligation to) at any time thereafter make such payment or perform such act for the account and at the expense of Mortgagor, and may enter upon the Mortgaged Premises or any part thereof for such purpose and take all such action thereon as, in the opinion of Mortgagee, may be necessary or appropriate therefor. All sums so paid by Mortgagee and all costs and expenses (including without limitation reasonable attorney's fees and expenses) so incurred, together with interest thereon from the date of payment or incurrence at the Default Rate, shall constitute so much additional Secured Indebtedness and shall be paid by Mortgagor to Mortgagee on demand. Mortgagee in making any payment authorized under this Section relating to taxes or 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. Mortgagee, in performing any act hereunder, shall be the sole judge and shall reasonably determine whether Mortgagor is required to perform same under the terms of this Mortgage.

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14. *After-Acquired Property.* To the fullest extent permitted by applicable law, any and all property appurtenant or attached to the Mortgaged Premises hereafter acquired which is of the kind or nature herein provided, or intended to be and become subject to the lien hereof, shall ipso facto, and without any further conveyance, assignment or act on the part of Mortgagor, become and be subject to the lien of this Mortgage as fully and completely as though specifically described herein; but nevertheless Mortgagor shall from time to time, if requested by Mortgagee, execute and deliver any and all such further assurances, conveyances and assignments as Mortgagee may reasonably require for the purpose of expressly and specifically subjecting to the lien of this Mortgage all such property.

15. *Inspection by Mortgagee.* Mortgagee shall have the right to inspect the Mortgaged Premises at such reasonable times and reasonable intervals as the Mortgagee may designate and access thereto shall be permitted for that purpose following written notice.

16. *Subrogation.* Mortgagor acknowledges and agrees that Mortgagee shall be subrogated to any lien against the Mortgaged Premises discharged out of the proceeds of any extension of credit evidenced by the Notes or out of any advance by Mortgagee hereunder, irrespective of whether or not any such lien may have been released of record.

17. *Events of Default.* Any one or more of the following shall constitute an event of default hereunder:

- (a) The occurrence of an Event of Default (as defined in the Reimbursement Agreement) under the Reimbursement Agreement; or
- (b) Default in the observance of any of the covenants set forth in Section 8 or Section 12 hereof, with sixty (60) days to discharge any mechanic's lien; or
- (c) The Mortgaged Premises or any part thereof shall be sold, transferred, or conveyed, whether voluntarily or involuntarily, by operation of law or otherwise, except for sales of obsolete, worn out or unusable fixtures or personal property which are concurrently replaced with similar fixtures or personal property at least equal in quality and condition to those sold and owned by Mortgagor free of any lien, charge or encumbrance other than the lien hereof; or
- (d) Any indebtedness secured by a lien or charge on the Mortgaged Premises or any part thereof is not paid when due or proceedings are commenced to foreclose or otherwise realize upon any such lien or charge or to have a receiver appointed for the property subject thereto or to place the holder of such indebtedness or its representative in possession thereof; or
- (e) The Mortgaged Premises is abandoned; or
- (f) Any Guarantor shall purport to disavow, revoke, repudiate or terminate its guaranty.

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For the purposes of this Mortgage, the Mortgaged Premises shall be deemed to have been sold, transferred or conveyed in the event that more than fifty percent of the equity interest in Mortgagor shall be sold, transferred or conveyed, whether voluntarily or involuntarily, subsequent to the date hereof, whether in one or a series of related or unrelated transactions.

18. *Remedies.* When any event of default has happened and is continuing (regardless of the pendency of any proceeding which has or might have the effect of preventing Mortgagor from complying with the terms of this Mortgage and of the adequacy of the security for Secured Indebtedness) and in addition to such other rights as may be available under applicable law, but subject at all times to any mandatory legal requirements:

(a) *Acceleration.* Mortgagee may, by written notice to Mortgagor, declare the Secured Indebtedness, including any interest then accrued thereon, to be forthwith due and payable, whereupon the same shall become and be forthwith due and payable, without other notice or demand of any kind.

(b) *Uniform Commercial Code.* Mortgagee shall, with respect to any part of the Mortgaged Premises constituting property of the type in respect of which realization on a lien or security interest granted therein is governed by the Uniform Commercial Code, have all the rights, options and remedies of a secured party under the Uniform Commercial Code of Illinois, including without limitation, the right to the possession of any such property, or any part thereof, and the right to enter without legal process any premises where any such property may be found. Any requirement of said Code for reasonable notification shall be met by mailing written notice to Mortgagor at its address above set forth at least 10 days prior to the sale or other event for which such notice is required. The expenses of retaking, selling, and otherwise disposing of said property, including reasonable attorney's fees and legal expenses incurred in connection therewith, shall constitute so much additional Secured Indebtedness and shall be payable upon demand with interest at the Default Rate.

(c) *Foreclosure.* Mortgagee may proceed to protect and enforce the rights of Mortgagee hereunder (i) by any action at law, suit in equity or other appropriate proceedings, whether for the specific performance of any agreement contained herein, or for an injunction against the violation of any of the terms hereof, or in aid of the exercise of any power granted hereby or by law, or (ii) by the foreclosure of this Mortgage.

(d) *Appointment of Receiver.* Mortgagee shall, as a matter of right, without notice and without giving bond to Mortgagor or anyone claiming by, under or through it, and without regard to the solvency or insolvency of Mortgagor or the then value of the Mortgaged Premises, be entitled to have a receiver appointed of all or any part of the Mortgaged Premises and the rents, issues and profits thereof, with such power as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Any such receiver may, to the extent permitted under applicable law, without notice, enter upon and take possession of the Mortgaged Premises or any part thereof by force, summary proceedings, ejectment or

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otherwise, and may remove Mortgagor or other persons and any and all property therefrom, and may hold, operate and manage the same and receive all earnings, income, rents, issues and proceeds accruing with respect thereto or any part thereof, whether during the pendency of any foreclosure or until any right of redemption shall expire or otherwise.

(e) *Taking Possession, Collecting Rents, Etc.* Mortgagee may enter and take possession of the Mortgaged Premises or any part thereof and manage, operate, insure, repair and improve the same and take any action which, in Mortgagee's judgment, is necessary or proper to conserve the value of the Mortgaged Premises. Mortgagee may also take possession of, and for these purposes use, any and all personal property contained in the Mortgaged Premises and used in the operation, rental or leasing thereof or any part thereof. Mortgagee shall be entitled to collect and receive all earnings, revenues, rents, issues and profits of the Mortgaged Premises or any part thereof (and for such purpose Mortgagor does hereby irrevocably constitute and appoint Mortgagee its true and lawful attorney-in-fact for it and in its name, place and stead to receive, collect and receipt for all of the foregoing, Mortgagor irrevocably acknowledging that any payment made to Mortgagee hereunder shall be a good receipt and acquittance against Mortgagor to the extent so made) and to apply same to the reduction of the Secured Indebtedness. The right to enter and take possession of the Mortgaged Premises and use any personal property therein, to manage, operate and conserve the same, and to collect the rents, issues and profits thereof, shall be in addition to all other rights or remedies of Mortgagee hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. The expenses (including any receiver's fees, counsel fees, costs and agent's compensation) incurred pursuant to the powers herein contained shall be so much additional Secured Indebtedness which Mortgagor promises to pay upon demand together with interest at the Default Rate. Mortgagee shall not be liable to account to Mortgagor for any action taken pursuant hereto other than to account for any rents actually received by Mortgagee. Without taking possession of the Mortgaged Premises, Mortgagee may, in the event the Mortgaged Premises becomes vacant or is abandoned, take such steps as it deems appropriate to protect and secure the Mortgaged Premises (including hiring watchmen therefor) and all costs incurred in so doing shall constitute so much additional Secured Indebtedness payable upon demand with interest thereon at the Default Rate.

19. *Waiver of Right to Redeem From Sale - Waiver of Appraisalment, Valuation, Etc.* Mortgagor shall not and will not apply for or avail itself of any appraisalment, 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 Mortgaged Premises marshaled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Premises sold as an entirety. In the event of any sale made under or by virtue of this Mortgage, the whole of the Mortgaged Premises may be sold in one parcel as an entirety or in separate lots or parcels at the same or different times, all as the Mortgagee may determine. Mortgagee shall have the right to become the purchaser at any sale

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made under or by virtue of this Mortgage and Mortgagee so purchasing at any such sale shall have the right to be credited upon the amount of the bid made therefor by Mortgagee with the amount payable to Mortgagee out of the net proceeds of such sale. In the event of any such sale, the Secured Indebtedness, if not previously due, shall be and become immediately due and payable without demand or notice of any kind. Mortgagor hereby waives any and all rights of redemption prior to or from sale under any order or decree of foreclosure pursuant to rights herein granted, on behalf of Mortgagor, and each and every person acquiring any interest in, or title to the Mortgaged Premises described herein subsequent to the date of this Mortgage, and on behalf of all other persons to the extent permitted by applicable law.

20. *Costs and Expenses of Foreclosure.* In any suit to foreclose the lien hereof there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorney's fees, appraiser's fees, environmental auditor's fees, outlays for documentary and expert evidence, stenographic charges, publication costs and costs (which may be estimated as the items to be expended after the entry of the decree) of procuring all such abstracts of title, title searches and examination, guarantee policies, Torrens certificates and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute any foreclosure action or to evidence to the bidder at any sale pursuant thereto the true condition of the title to or the value of the Mortgaged Premises, all of which expenditures shall become so much additional Secured Indebtedness which Mortgagor agrees to pay and all of such shall be immediately due and payable with interest thereon from the date of expenditure until paid at the Default Rate.

22. *Application of Proceeds.* The proceeds of any foreclosure sale of the Mortgaged Premises or of any sale of property pursuant to Section 18(b) hereof shall be distributed in the following order of priority. First, on account of all costs and expenses incident to the foreclosure or other proceedings including all such items as are mentioned in Sections 18(b) and 21 hereof; Second, to all other items which under the terms hereof constitute the Secured Indebtedness with any overplus to whomsoever the Mortgagee shall reasonably determine to be lawfully entitled to same.

23. *Deficiency Decree.* If at any foreclosure proceeding the Mortgaged Premises shall be sold for a sum less than the total amount of indebtedness for which judgment is therein given, the judgment creditor shall be entitled to the entry of a deficiency decree against Mortgagor and against the property of Mortgagor for the amount of such deficiency; and Mortgagor does hereby irrevocably consent to the appointment of a receiver for the Mortgaged Premises and the property of the Mortgagor and of the rents, issues and profits thereof after such sale and until such deficiency decree is satisfied in full.

24. *Mortgagee's Remedies Cumulative - No Waiver.* No remedy or right of Mortgagee shall be exclusive of but shall be cumulative and in addition to every other remedy or right now or hereafter existing at law or in equity or by statute or otherwise. No delay in the exercise or omission to exercise any remedy or right accruing on any default shall impair any such remedy or right or be construed to be a waiver of any such default or acquiescence therein, nor shall it affect any subsequent default of the same or a different nature. Every such remedy or right may be

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exercised concurrently or independently, and when and as often as may be deemed expedient by Mortgagee.

25. *Mortgagee Party to Suits.* If Mortgagee shall be made a party to or shall intervene in any action or proceeding affecting the Mortgaged Premises or the title thereto or the interest of Mortgagee under this Mortgage (including probate and bankruptcy proceedings), or if Mortgagee employs an attorney to collect any or all of the Secured Indebtedness or to enforce any of the terms hereof or realize hereupon or to protect the lien hereof, or if Mortgagee shall incur any costs or expenses in preparation for the commencement of any foreclosure proceedings or for the defense of any threatened suit or proceeding which might affect the Mortgaged Premises or the security hereof, whether or not any such foreclosure or other suit or proceeding shall be actually commenced, then in any such case, Mortgagor agrees to pay to Mortgagee, immediately and without demand all reasonable costs, charges, expenses and attorney's fees incurred by Mortgagee in any such case, and the same shall constitute so much additional Secured Indebtedness payable upon demand with interest at the Default Rate.

26. *Modifications Not to Affect Lien.* Mortgagee, without notice to anyone, and without regard to the consideration, if any, paid therefor, or the presence of other liens on the Mortgaged Premises, may in its discretion release any part of the Mortgaged Premises or any person liable for any of the Secured Indebtedness, may extend the time of payment of any of the Secured Indebtedness and may grant waivers or other indulgences with respect hereto and thereto, and may agree with Mortgagor to modifications to the terms and conditions contained herein or otherwise applicable to any of the Secured Indebtedness (including modifications in the rates of interest applicable thereto), without in any way affecting or impairing the liability of any party liable upon any of the Secured Indebtedness or the priority of the lien of this Mortgage upon all of the Mortgaged Premises not expressly released, and any party acquiring any direct or indirect interest in the Mortgaged Premises shall take same subject to all of the provisions hereof.

27. *Notices.* All communications provided for herein shall adhere to the same requirements for Notices as stated in the Reimbursement Agreement, Section 7.12.

28. *Compliance with Environmental Laws.* Mortgagor represents and warrants that, to the best of Mortgagor's knowledge, after due inquiry, the Mortgaged Premises complies in all material respects with all applicable federal, state, regional, county or local laws, statutes, rules, regulations or ordinances, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. Sec. 9601 et seq., the Resource Conservation and Recovery Act of 1976, as amended by the Solid and Hazardous Waste Amendments of 1984, 42 U.S.C. Sec. 6901 et seq., the Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977, 33 U.S.C. Sec. 1251 et seq., the Toxic Substances Control Act of 1976, 15 U.S.C. Sec. 2601 et seq., The Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. Sec. 11001 et seq., the Clean Air Act of 1966, as amended, 42 U.S.C. Sec. 7401 et seq., the National Environmental Policy Act of 1975, 42 U.S.C. Sec. 4321, the Rivers and Harbours Act of 1899, 33 U.S.C. Sec. 401 et seq., the Occupational Safety and Health Act of 1970, 29 U.S.C. Sec. 651 et seq., and the Safe Drinking Water Act of 1974, as amended, 42

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U.S.C. Sec. 300(f) et seq., and all rules, regulations and guidance documents promulgated or published thereunder, and any state, regional, county or local statute, law, rule, regulation or ordinance relating to public health, safety or the environment, including, without limitation, relating to releases, discharges, emissions or disposals to air, water, land or groundwater, to the withdrawal or use of groundwater, to the use, handling or disposal of polychlorinated biphenyls (PCB's), asbestos or urea formaldehyde, to the treatment, storage, disposal or management of hazardous substances (including, without limitation, petroleum, its derivatives or by-products or other hydrocarbons), to exposure to toxic, hazardous, or other controlled, prohibited or regulated substances, to the transportation, storage, disposal, management or release of gaseous or liquid substances, and any regulation, order, injunction, judgment, declaration, notice or demand issued thereunder.

29. *Condition of Property.* Mortgagor warrants and represents that, to the best of its knowledge, after due inquiry, the Mortgaged Premises, including all personal property, is free from contamination, that there has not been thereon a release, discharge or emission, or threat of release, discharge or emission, of any hazardous substance, gas or liquid (including, without limitation, petroleum, its derivatives or by-products, or other hydrocarbons), or any other substance, gas or liquid, which is prohibited, controlled or regulated under applicable law, or which poses a threat or nuisance to safety, health or the environment, and that the Mortgaged Premises does not contain, or is not affected by: (i) asbestos, (ii) urea formaldehyde foam insulation, (iii) polychlorinated biphenyls (PCB's), (iv) underground storage tanks, (v) landfills, land disposals or dumps.

30. *Notice of Environmental Problem.* Mortgagor represents and warrants that it has not given, nor should it give, nor has it received, any notice, letter, citation, order, warning, complaint, inquiry, claim or demand that: (i) Mortgagor has violated, or is about to violate, any federal, state, regional, county or local environmental, health or safety statute, law, rule, regulation, ordinance, judgment or order; (ii) there has been a release, or there is threat of release, of hazardous substances (including, without limitation, petroleum, its by-products or derivatives or other hydrocarbons) from the Mortgaged Premises; (iii) Mortgagor may be or is liable, in whole or in part, for the costs or cleaning up, remediating or responding to a release of a hazardous substances (including, without limitation, petroleum, its by-products or derivatives, or other hydrocarbons); (iv) any of the Mortgagor's property or assets are subject to a lien in favor of any Governmental Body for any liability, costs or damages, under federal, state or local environmental law, rule or regulation arising from or costs incurred by such governmental entity in response to a release of a hazardous substance (including, without limitation, petroleum, its by-products or derivatives, or other hydrocarbons). In the event that Mortgagor receives any notice of the type described in this Section 30, Mortgagor shall promptly provide a copy to Mortgagee, and in no event, later than fifteen (15) days from Mortgagee's receipt or submission thereof.

31. *Use of Property and Facilities.* Mortgagor represents and warrants that to the best of its knowledge, after due inquiry, it has never in the past engaged in, and agrees that in the future it shall not conduct (except in the ordinary course of its business and in *de minimis* amounts), any business, operations or activity on the Mortgaged Premises, or employ or use the personal property or facilities, to manufacture, use, generate, treat, store, transport or dispose of

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any hazardous substance (including, without limitation, petroleum, its derivatives or by-products, or other hydrocarbons), or any other substance which is prohibited, controlled or regulated under applicable law, or which poses a threat or nuisance to safety, health or the environment, including, without limitation, any business, operation or activity which would bring Mortgagor, its property or facilities, within the ambit of the Resource Conservation and Recovery Act of 1976, as amended by the Solid and Hazardous Waste Amendments of 1984, 42 U.S.C. Sec. 6901 et seq., the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. Sec. 9601 et seq., the Clean Air Act of 1966, as amended, 42 U.S.C. Sec. 7401 et seq., or any similar state, county, regional or local statute, law, regulation, rule or ordinance, including, without limitation, any state statute providing for financial responsibility for cleanup for the release or threatened release of substances provided for thereunder. The provisions of this Section 31 shall apply to all real and personal property, without limitation, owned or controlled by Mortgagor or its subsidiaries.

32. *Revolving Credit Loan.* This Mortgage is given to secure, among other things, a revolving credit loan and shall secure not only presently existing indebtedness under the Credit Agreements but also future advances, whether such advances are obligatory or to be made at the option of Mortgagee, or otherwise, as are made within twenty (20) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage and although there may be no Secured Indebtedness outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all Secured Indebtedness, including future advances, from the time of its filing for record in the recorder's or registrar's office in the county in which the Mortgaged Premises are located. The total amount of Secured Indebtedness may increase or decrease from time to time, but the total unpaid balance of Secured Indebtedness (including disbursements which Mortgagee may make under this Mortgage, the Credit Agreements or any other documents related thereto) at any one time outstanding shall not exceed a maximum principal amount of Twelve Million Dollars (\$12,000,000.00) plus interest thereon and any disbursements made for payment of taxes, special assessments or insurance on the Mortgaged Premises and interest on such disbursements (all such indebtedness being hereinafter referred to as the "*maximum amount secured hereby*"). This Mortgage shall be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Mortgaged Premises, to the extent of the maximum amount secured hereby.

33. *Liens Absolute, Etc.* Mortgagor acknowledges and agrees that the lien and security interest hereby created and provided for are absolute and unconditional and shall not in any manner be affected or impaired by any acts or omissions whatsoever of Mortgagee or any other holder of any of the Secured Indebtedness, and without limiting the generality of the foregoing, the lien and security hereof shall not be impaired by any acceptance by Mortgagee or any other holder of any of the Secured Indebtedness of any other security for or guarantors upon any of the Secured Indebtedness or by any failure, neglect or omission on the part of Mortgagee or any other holder of any of the Secured Indebtedness to realize upon or protect any of the Secured Indebtedness or any collateral or security therefor. The lien and security interest hereof

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shall not in any manner be impaired or affected by (and Mortgagee, without notice to anyone, is hereby authorized to make from time to time) any sale, pledge, surrender, compromise, settlement, release, renewal, extension, indulgence, alteration, substitution, exchange, change in, modification or disposition of any of the Secured Indebtedness, or of any collateral or security therefor, or of any guaranty thereof, or of any instrument or agreement setting forth the terms and conditions pertaining to any of the foregoing. Mortgagee may at its discretion at any time grant credit to Center Home and Social Services without notice to Mortgagor in such amounts and on such terms as Mortgagee may elect (all of such to constitute additional Secured Indebtedness) without in any manner impairing the lien and security interest created and provided for herein. In order to realize hereon and to exercise the rights granted Mortgagee hereby and under applicable law, there shall be no obligation on the part of Mortgagee or any other holder of any of the Secured Indebtedness at any time to first resort for payment to Center Home and Social Services or to any guaranty of any of the Secured Indebtedness or any portion thereof or to resort to any other collateral, security, property, liens or any other rights or remedies whatsoever, and Mortgagee shall have the right to enforce this Mortgage irrespective of whether or not other proceedings or steps seeking resort to or realization upon or from any of the foregoing are pending.

34. *Direct and Primary Security - No Subrogation.* The lien and security interest herein created and provided for s and as direct and primary security for the Reimbursement Obligations, the Notes as well as for any of the other Secured Indebtedness. No application of any sums received by Mortgagee in respect of the Mortgaged Premises or any disposition thereof to the reduction of the Secured Indebtedness or any part thereof shall in any manner entitle Mortgagor to any right, title or interest in or to the Secured Indebtedness or any collateral or security therefor, whether by subrogation or otherwise, unless and until all Secured Indebtedness has been fully paid and satisfied and any commitment of Mortgagee to extend credit to Mortgagor, Center Home or Social Services shall have expired.

35. *Multisite Real Estate Transaction.* Mortgagor acknowledges that this Mortgage is one of several mortgages and other security documents (the aforesaid being together called the "Other Security Documents") which secure the indebtedness evidenced by the Reimbursement Agreement and the Notes. Mortgagor agrees that the lien of this Mortgage shall be absolute and unconditional and shall not in any manner be affected or impaired by any acts or omissions whatsoever of Mortgagee or any other holder of any of the Secured Indebtedness, and without limiting the generality of the foregoing, the lien and security hereof shall not be impaired by any acceptance by Mortgagee or any other holder of any of the Secured Indebtedness of any security for or guarantors upon any of the Secured Indebtedness or by any failure, neglect or omission on the part of Mortgagee or any other holder of any of the Secured Indebtedness to realize upon or protect any of the Secured Indebtedness or any collateral or security therefor including the Other Security Documents. The lien and security interest hereof shall not in any manner be impaired or affected by any release (except as to the property released), sale, pledge, surrender, compromise, settlement, renewal, extension, indulgence, alteration, substitution, exchange, change in, modification or disposition of any of the Secured Indebtedness, or of any of the collateral or security therefor, including, without limitation, the Other Security Documents or of any guaranty thereof, or of any instrument or agreement setting forth the terms and conditions pertaining to any

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of the foregoing. Mortgagee may at its discretion foreclose, exercise any power of sale, or exercise any other remedy available to it under any or all of the Other Security Documents without first exercising or enforcing any of its right and remedies hereunder. Such exercise of Mortgagee's rights and remedies under any or all of the Other Security Documents shall not in any manner impair the Secured Indebtedness, except to the extent of payment, or the lien of this Mortgage and any exercise of the rights or remedies of the Mortgagee hereunder shall not impair the lien of any of the Other Security Documents or any of Mortgagee's rights and remedies thereunder. Mortgagor specifically consents and agrees that Mortgagee may exercise its rights and remedies hereunder and under the Other Security Documents separately or concurrently and in any order that it may deem appropriate.

36. *Partial Invalidity.* All rights, powers and remedies provided herein are intended to be limited to the extent necessary so that they will not render this Mortgage invalid, unenforceable or not entitled to be recorded, registered or filed under any applicable law. If any term of this Mortgage shall be held to be invalid, illegal or unenforceable, the validity and enforceability of the other terms of this Mortgage shall in no way be affected thereby.

37. *Successors and Assigns.* Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Mortgage contained by or on behalf of Mortgagor, or by or on behalf of Mortgagee, shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not. If more than one party signs this Mortgage as Mortgagor, then the term "Mortgagor" as used herein shall mean all of such parties, jointly and severally.

38. *Headings.* The headings in this Mortgage are for convenience of reference only and shall not limit or otherwise affect the meaning of any provision hereof.

39. *Changes, Etc.* This Mortgage and the provisions hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought.

40. *Default Rate.* As used herein, the "Default Rate" shall be equal to the rate per annum stated in Section 2.10 of the Reimbursement Agreement.

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IN WITNESS WHEREOF, Mortgagor has caused these presents to be signed and sealed the day and year first above written.

CASA CENTRAL PADRES CORPORATION

By: *Ann R. Alvarez*

Name: ANN R ALVAREZ

Its: President

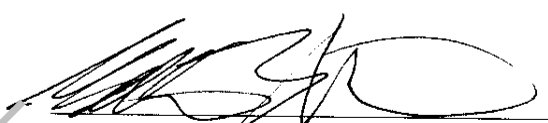
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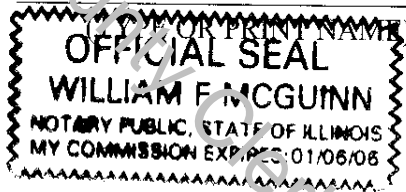
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, William F. McGuinn, a Notary Public in and for said County in the State aforesaid, do hereby certify that Ann Alvarez, _____ President of CASA CENTRAL PADRES CORPORATION, an Illinois not for profit corporation ("Padres"), who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such _____ President, appeared before me this day in person and acknowledged that (s)he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of Padres, for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 15th day of August, 2003.



Notary Public



(SEAL)

My Commission Expires: _____

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Schedule I

Legal Description

LOT 22 [EXCEPT THE EAST 25 FEET THEREOF] AND ALL OF LOTS 23 AND 24 IN BLOCK 2 IN HUMBOLDT PARK RESIDENCE ASSOCIATION, A SUBDIVISION OF THE SOUTHWEST QUARTER OF SECTION 1, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

16 01- 216-004 + 006

Vacant land

California Ave
Chicago, IL

Property of Cook County Clerk's Office