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

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from

CHURCH EXTENSION BOARD OF THE PRESBYTERY OF CHICAGO, an Illinois not-for-
profit corporation

to

PARK NATIONAL BANK,
a national banking association

Dated as of September 14, 2007

Address of Property:

100 S. Morgan Street
Chicago, Illinois 60607

Permanent Tax Index Numbers:

17-17-211-013-0000
17-17-211-014-0000

17-17-211-011-0000
17-17-211-012-0000

This Instrument Prepared by and
to be Returned After Recording to;

Richard Demarest Yant
Krasnow Saunders Cornblath, LLP
500 N. Dearborn, Suite 200
Chicago, IL 60610

Box 400-CTCC

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

THIS MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND LEASES AND FIXTURE FILING (this "**Mortgage**") dated as of September 14, 2007, from CHURCH EXTENSION BOARD OF THE PRESBYTERY OF CHICAGO, an Illinois not-for-profit corporation (the "**Mortgagor**"), to PARK NATIONAL BANK, a national banking association (the "**Mortgagee**");

RECITALS:

- A. Pursuant to a Loan Agreement of even date herewith by and between Mortgagee; and, Mortgagor, and PRESBYTERIAN CAMPS, INC., a Michigan non-profit corporation ("**Michigan Borrower**"), the Mortgagee has agreed to make a loan to Mortgagor and Michigan Borrower evidenced by the Note (as defined in Article I hereof).
- B. As a condition to the making of the loan evidenced by the Note, the Mortgagee has required that the Mortgagor grant to the Mortgagee a mortgage, lien and security interest in the Premises hereafter described.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness hereby secured, the receipt and sufficiency of which are hereby acknowledged, the Mortgagor hereby grants, bargains, sells, conveys and mortgages to the Mortgagee and its successors and assigns forever, under and subject to the terms and conditions hereinafter set forth, all of the Mortgagor's right, title and interest in and to the real property located in the City of Chicago, County of Cook, State of Illinois, described in Exhibit A attached hereto and by this reference incorporated herein, including all improvements now and hereafter located thereon;

TOGETHER WITH all right, title and interest of the Mortgagor, now owned or hereafter acquired, in and to the following:

- (a) All rents, issues, profits, royalties and income with respect to the said real estate and improvements and other benefits derived therefrom, subject to the right, power and authority given to the Mortgagor to collect and apply same; and
- (b) All leases or subleases, whether written or oral, covering the said real estate and improvements or any portion thereof now or hereafter existing or entered into, including, but not limited to, the Lease (as defined in Article I hereof), and all cash or security deposits, advance rentals, and deposits or payments of similar nature, and any and all guarantees of the lessee's obligations under any of such leases and subleases; and
- (c) All privileges, reservations, allowances, hereditaments and appurtenances belonging or pertaining to the said real estate and improvements and all rights and estates in reversion or remainder and all other interests, estates or other claims, both in law and in equity, which the Mortgagor now has or may hereafter acquire in the said real estate and improvements; and

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- (d) All easements, rights-of-way and rights used in connection with the said real estate and improvements or as a means of ingress and egress thereto, and all tenements, hereditaments and appurtenances thereof and thereto, and all water rights and shares of stock evidencing the same; and
- (e) Any land lying within the right-of-way of any street, open or proposed, adjoining the said real estate and improvements, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the said real estate and improvements; and
- (f) Any and all buildings and improvements now or hereafter erected on the said real estate including, but not limited to, all the fixtures, attachments, appliances, equipment, machinery, and other articles attached to said buildings and improvements; and
- (g) All materials intended for construction, reconstruction, alteration and repairs of the said real estate and improvements, all of which materials shall be deemed to be included within the said real estate and improvements immediately upon the delivery thereof to the said real estate; and
- (h) All fixtures attached to or contained in and used in connection with the said real estate and improvements, including, but not limited to, all machinery, motors, elevators, fittings, radiators, awnings, shades, screens, and all plumbing, heating, lighting, ventilating, refrigerating, incinerating, air-conditioning and sprinkler equipment and fixtures and appurtenances thereto; and all items of furniture, furnishings, equipment and personal property used or useful in the operation of the said real estate and improvements; and all renewals, substitutions and replacements for any or all of the foregoing, and all proceeds therefrom, whether or not the same are or shall be attached to the said real estate and improvements in any manner; it being mutually agreed, intended and declared that all the aforesaid property placed by the Mortgagor on and in the said real estate and improvements shall, so far as permitted by law be deemed to form a part and parcel of the real estate and for the purpose of this Mortgage to be real estate and covered by this Mortgage; and as to any of the aforesaid property which does not so form a part and parcel of the real estate or does not constitute a "fixture" (as such term is defined in the Uniform Commercial Code of Illinois), this Mortgage is deemed to be a security agreement under the Uniform Commercial Code of Illinois for the purpose of creating hereby a security interest in such property, which the Mortgagor hereby grants to the Mortgagee as secured party; and
- (i) All present and future apparatus, machinery, equipment, furniture, fixtures and articles of personal property of any and every kind and nature whatsoever owned by the Mortgagor and used, attached to, installed or located in or on said real estate or improvements, or required for use in or on or in connection with said real estate or improvements or the management, maintenance, operation or business thereof and all replacements thereof, substitutions therefor and accessions thereto, including, without limitation, any such item now or at any time or times hereafter situated on said real estate or improvements and used to supply or otherwise deliver heat, gas, air conditioning, water, light, electricity, power, plumbing, refrigeration, sprinkling, ventilation, mobility,

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communication, incineration, recreation, laundry service and all other related or other such services (the “**Equipment**”); and

(j) All the estate, interest, right, title and other claims and demands, including claims and demands with respect to any proceeds of insurance related thereto, which the Mortgagor now has or may hereafter acquire in the said real estate and improvements or personal property and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the said real estate and improvements or personal property, including without limitation any awards resulting from a change of grade of streets and awards for severance damages; and

(k) All of the following which relate to the said real estate and improvements: All present and future plans, specifications, licenses, permits and approvals, all present and future management, supply and other contracts and agreements of every sort, and all present and future obligations and indebtedness owed to the Mortgagor thereunder, all present and future intellectual property, and all other present and future general intangibles; and

(l) All proceeds of all of the foregoing;

the said real estate and improvements and the property and interests described in (a) through (l) (other than the Equipment) above being collectively referred to herein as the “**Premises**,” and as to the Equipment and any portion of the Premises constituting property subject to the Uniform Commercial Code of Illinois, this Mortgage shall be deemed to be a security agreement under such Code for the purpose of creating hereby a security interest in such Equipment and portion of the Premises, which the Mortgagor as debtor hereby grants to the Mortgagee as secured party.

TO HAVE AND TO HOLD the same unto the Mortgagee and its successors and assigns forever, for the purposes and uses herein set forth.

FOR THE PURPOSE OF SECURING the following (but not exceeding \$22,000,000 in the aggregate):

(a) Payment of the indebtedness evidenced by the Note, including the principal thereof and interest and prepayment premiums, if any, thereon, and any and all modifications, extensions and renewals thereof, and performance of all obligations of the Mortgagor under the Note; and

(b) Performance and observance by the Mortgagor of all of the terms, covenants and provisions of this Mortgage; and

(c) Performance and observance by the parties thereto of all of the terms, covenants and provisions of the other Loan Documents (as defined in Article I hereof); and

(d) Payment of all sums advanced by the Mortgagee to perform any of the terms, covenants and provisions of this Mortgage or any of the other Loan Documents (as defined in Article I hereof), or otherwise advanced by the Mortgagee pursuant to the

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provisions hereof or any of such other documents to protect the property hereby mortgaged and pledged; and

(e) Performance and observance of all of the terms, covenants and provisions of any other instrument given to evidence or further secure the payment and performance of any indebtedness hereby secured or any obligation secured hereby; and

(f) Payment of any future or further advances which may be made by the Mortgagee at its sole option to and for the benefit of the Mortgagor or Michigan Borrower or either of their successors, assigns and legal representatives, including, without limitation, loans and advances evidenced by the Note, all of which future and further advances shall have, to the extent permitted by law, the same priority as if advanced on the date of this Mortgage.

PROVIDED, HOWEVER, that if the Mortgagor and Michigan Borrower shall pay the principal and all interest and prepayment premiums, if any, as provided in the Note, and shall pay all other sums herein provided for, or secured hereby, and shall well and truly keep and perform all of the covenants herein contained, then this Mortgage shall be released at the cost of the Mortgagor, otherwise to remain in full force and effect.

TO PROTECT THE SECURITY OF THIS MORTGAGE, THE MORTGAGOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. The terms defined in this Section (except as otherwise expressly provided or unless the context otherwise requires) for all purposes of this Mortgage shall have the respective meanings specified in this Section.

"**Default**" means, when used in reference to this Mortgage or any other document, or in reference to any provision of or obligation under this Mortgage or any other document, the occurrence of an event or the existence of a condition which, with the passage of time or the giving of notice, or both, would constitute an Event of Default under this Mortgage or such other document, as the case may be.

"**Default Rate**" means a rate of interest equal to the sum of (A) the rate published by The Wall Street Journal from time to time as the prime rate or base rate, and changing automatically and simultaneously with changes in that rate as published there, plus (B) five percent (5%) per annum. If The Wall Street Journal is no longer published or fails to publish a rate that it characterizes as the prime or base rate, Mortgagee may select any other publicly available source for ascertaining the prime or base rate component of the Default Rate. Mortgagee's determination of the Default Rate will be final, binding and conclusive on Borrower absent manifest error.

"**Equipment**" has the meaning ascribed to that term in the granting clauses of this Mortgage.

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“**Environmental Laws**” has the meaning ascribed to that term in Section 2.15(b) of this Mortgage.

“**Event of Default**” means --

- (i) when used in reference to this Mortgage, an Event of Default specified in Section 5.1 hereof; and
- (ii) when used in reference to any other document, a default or event of default under such document that has continued after the giving of any applicable notice and the expiration of any applicable grace or cure periods.

“**Hazardous Material**” means any hazardous substance or any pollutant or contaminant defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act, any so-called “Superfund” or “Superlien” law, The Toxic Substances Control Act, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect; asbestos or any substance or compound containing asbestos; polychlorinated biphenyls or any substance or compound containing any polychlorinated biphenyl; petroleum and petroleum products; pesticides; and any other hazardous, toxic or dangerous waste, substance or material.

“**Impositions**” has the meaning ascribed to that term in Section 2.6 of this Mortgage.

“**Indemnity Agreement**” means the Environmental Indemnity Agreement dated as of the date hereof, from the Mortgagor and Michigan Borrower to the Mortgagee, and all amendments and supplements thereto.

“**Lease**” means the lease of the Premises by and between the Mortgagor, as landlord, and Parents United For Responsible Education (PURE), as tenant.

“**Loan Agreement**” means the Loan Agreement dated as of the date hereof, between Mortgagee; and, Mortgagor, and, and all amendments and supplements thereto.

“**Loan Documents**” means the Loan Agreement, the Note, this Mortgage, the Indemnity Agreement, and all other documents and instruments at any time evidencing and securing the indebtedness secured by this Mortgage, each as now or hereafter amended and supplemented.

“**Mortgage**” means this Mortgage, Security Agreement, Assignment of Rents and Leases and Fixture Filing, and all amendments and supplements thereto.

“**Note**” means the Promissory Note of Mortgagor and Michigan Borrower dated as of the date hereof and payable to the order of the Mortgagee, which Promissory Note is in the principal amount of \$11,000,000.00, bears interest and is payable in installments as therein provided, as amended and supplemented, together with any renewals thereof or exchanges or substitutions therefor.

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“**Permitted Encumbrances**” means (i) this Mortgage; (ii) Uniform Commercial Code financing statements reflecting the Mortgagee as secured party; (iii) the Lease and leases of the Premises entered into after the date of the recording of this Mortgage, provided same have been entered into in accordance with the provisions of Section 3.1 of this Mortgage; (iv) liens for ad valorem taxes and special assessments not then due and payable; and (v) the additional matters set forth in Exhibit B attached hereto.

ARTICLE II

COVENANTS AND AGREEMENTS OF MORTGAGOR

Section 2.1. Payment of Indebtedness. The Mortgagor covenants and agrees that it will pay when due the principal of and interest on the indebtedness hereby secured evidenced by the Note, all other sums which may become due pursuant thereto or hereto, and all other indebtedness of the Mortgagor hereby secured as described in the foregoing granting clauses of this Mortgage, including, but not limited to, all charges, fees and all other sums to be paid by the Mortgagor as provided in the Loan Documents, and that it will duly and punctually perform, observe and comply with all of the terms, provisions and conditions herein and in the other Loan Documents provided to be performed and observed by the Mortgagor. The Note, which is secured hereby, is hereby incorporated into this Mortgage by reference with the same effect as if set forth in full herein.

Section 2.2. Escrow Deposits. If requested by the Mortgagee at any time after the occurrence of a Default (without regard to whether such or any other Default is then continuing), in order to provide moneys for the payment of the impositions on the Premises required to be paid by the Mortgagor pursuant to Section 2.6 hereof and the premiums on the insurance required to be carried by the Mortgagor pursuant to Section 2.4 hereof, the Mortgagor shall pay to the Mortgagee with each monthly payment on the Note such amount as the Mortgagee shall estimate will be required to accumulate, by the date 30 days prior to the due date of the next annual installment of such Impositions and insurance premiums, through substantially equal monthly payments by the Mortgagor to the Mortgagee, amounts sufficient to pay such next annual Impositions and insurance premiums. All such payments shall be held by the Mortgagee in escrow, and the Mortgagee shall not be obligated to pay interest thereon. Amounts held in such escrow shall be made available by the Mortgagee to the Mortgagor for the payment of the Impositions and insurance premiums on the Premises when due, or may be applied thereto by the Mortgagee if it in its sole discretion so elects. The Mortgagee may at any time and from time to time waive the requirement for the escrow deposits provided for in this Section. In the event of any such waiver, the Mortgagee may thereafter in its sole discretion elect to require that the Mortgagor commence making such escrow deposits by giving the Mortgagor not less than 10 days' written notice of such election. No such waiver shall impair the right of the Mortgagee thereafter to require that such escrow deposits be made.

Section 2.3. Maintenance, Repair, Alterations. The Mortgagor covenants and agrees that it will:

- (a) keep the Premises in good condition and repair;

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(b) not remove, demolish or substantially alter (except such alterations as may be required by laws, ordinances or governmental regulations) any of the improvements which are a part of the Premises;

(c) promptly repair and restore any portion of the Premises which may become damaged or be destroyed so as to be of at least equal value and of substantially the same character as prior to such damage or destruction;

(d) subject to Section 2.13(b) hereof, pay when due all claims for labor performed and materials furnished to and for the Premises;

(e) comply with all laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Premises or any part thereof or requiring any alterations or improvements;

(f) not commit or permit any waste or deterioration of the Premises or any portion thereof;

(g) keep and maintain the Premises and abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair and free of nuisance;

(h) not commit, suffer or permit any act to be done in or upon the Premises in violation of any law, ordinance or regulation;

(i) not initiate or acquiesce in any zoning change or reclassification of the Premises; and

(j) subject to Section 2.13(b) hereof, keep the Premises free and clear of all liens and encumbrances of every sort except Permitted Encumbrances.

Section 2.4. Required Insurance. The Mortgagor shall at all times provide, maintain and keep in force, or cause to be maintained and kept in force, policies of insurance as required in the Loan Agreement. Illinois Insurance Notification. Borrower is hereby notified pursuant to 815 ILCS 180/1 et. seq. as follows: "Unless you, Mortgagor, provide us (Mortgagee) with evidence of the insurance coverage required by your agreement with us (i.e., the Loan Agreement and the other Loan Documents), we may purchase insurance at your (Mortgagor's) expense to protect our interests in your collateral. This insurance may, but need not, protect your interests. The coverage that we purchase may not pay any claim that you make or any claim that is made against you in connection with the collateral. You may later cancel any insurance purchased by us, but only after providing us with evidence that you have obtained insurance as required by our agreement. If we purchase insurance for the collateral, you will be responsible for the costs of that insurance, including interest and any other charges we 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 your total outstanding balance or obligation. The costs of the insurance may be more than the cost of insurance you may be able to obtain on your own."

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Section 2.5. Agreements and Covenants Concerning Equipment; Location and Use. (a)

If no Default or Event of Default under this Mortgage shall have occurred and be continuing, in any instance where the Mortgagor in its discretion determines that any items constituting the Equipment shall have become inadequate, obsolete, worn out, damaged, destroyed or unsuitable, undesirable or unnecessary to the continuing operation of the businesses of the Mortgagor, the Mortgagor may sell, trade-in, exchange or otherwise dispose of such items of Equipment (as a whole or in part) without any responsibility or accountability to the Mortgagee therefor, provided that the Mortgagor shall substitute and install or construct other machinery, equipment or related property having equal or greater value or utility in the operation of the Premises for the purpose for which it is intended (provided such removal and substitution shall not impair the operating unity of the Premises or substantially reduce its value), all of which substituted machinery, equipment or related property shall be free of all liens, charges and encumbrances, excepted Permitted Encumbrances, and shall become a part of the Equipment. The removal, sale, trade-in, exchange or other disposition of any of the Equipment pursuant to the provisions of this Section shall not entitle the Mortgagor to any abatement or diminution of the indebtedness hereby secured.

(b) The Mortgagor shall promptly report to the Mortgagee each such removal, sale, trade-in, exchange or other disposition of any item of Equipment having a depreciated value (calculated in accordance with generally accepted accounting principles) of more than \$10,000, and of each such removal, sale, trade-in, exchange or other disposition when the aggregate value of such disposition, together with all prior dispositions of Equipment during the calendar year exceeds \$50,000, and the Mortgagor shall certify annually to the Mortgagee, upon request received from the Mortgagee, that no such removal, sale, trade-in, exchange or other disposition has occurred except as previously reported to the Mortgagee. The Mortgagor shall pay any costs, including attorneys' fees, incurred in subjecting to the provisions of this Mortgage any items of machinery or equipment that under the provisions of this Section are to become part of the Equipment. The Mortgagor shall not remove or permit the removal, sale, trade-in, exchange or other disposition of any of the Equipment except in accordance with the provisions of this Section.

Section 2.6. Taxes and Impositions.

(a) The Mortgagor agrees to pay or cause to be paid, prior to delinquency, all real property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, including without limitation any non-governmental levies or assessments such as maintenance charges, owner association dues or charges or fees, levies or charges resulting from covenants, conditions and restrictions affecting the Premises, which are assessed or imposed upon the Premises, or become due and payable, and which create, may create or appear to create a lien upon the Premises, or any part thereof (all of which taxes, assessments and other governmental charges and non-governmental charges of the above-described or like nature are hereinafter referred to as "**Impositions**"); provided however, that if, by law, any such Imposition is payable, or at the option of the taxpayer may be paid, in installments, the Mortgagor may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest.

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(b) The Mortgagor shall furnish to the Mortgagee within 30 days after the date upon which any Imposition is due and payable by the Mortgagor, official receipts of the appropriate taxing authority, or other proof satisfactory to the Mortgagee, evidencing the payment thereof.

(c) The Mortgagor shall have the right before any delinquency occurs to contest or object to the amount or validity of any Imposition by appropriate legal proceedings properly instituted and prosecuted in such manner as shall stay the collection of the contested Impositions and prevent the sale or forfeiture of the Premises to collect the same; provided that no such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Mortgagor's covenants to pay any such Imposition at the time and in the manner provided in this Section unless the Mortgagor has given prior written notice to the Mortgagee of the Mortgagor's intent to so contest or object to an Imposition, and unless, at the Mortgagee's sole option, (i) the Mortgagor shall demonstrate to the Mortgagee's satisfaction that legal proceedings instituted by the Mortgagor contesting or objecting to such impositions shall conclusively operate to prevent the sale or forfeiture of the Premises, or any part thereof, to satisfy such Imposition prior to final determination of such proceedings; and/or (ii) the Mortgagor shall furnish a good and sufficient bond or surety as requested by and satisfactory to the Mortgagee, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Premises during the pendency of such contest, adequate fully to pay all such contested Impositions and all interest and penalties upon the adverse determination of such contest.

Section 2.7. Utilities. The Mortgagor shall pay or cause to be paid when due all utility charges which are incurred by the Mortgagor or owners for the benefit of or service to the Premises or which may become a charge or lien against the Premises for gas, electricity, water or sewer services furnished to the Premises and all other assessments or charges of a similar nature, whether public or private, affecting the Premises or any portion thereof, whether or not such taxes, assessments or charges are liens thereon.

Section 2.8. Actions by Mortgagee to Preserve Premises. Should the Mortgagor fail to make any payment or to do any act as and in the manner provided herein or in any of the other Loan Documents, the Mortgagee in its own discretion, without obligation so to do and without releasing the Mortgagor from any obligation, but after giving the Mortgagor notice except in the event of an emergency, may make or do the same in such manner and to such extent as it may deem necessary to protect the security hereof. In connection therewith (without limiting its general powers), the Mortgagee shall have and is hereby given the right, but not the obligation, (i) to enter upon and take possession of the Premises; (ii) to make additions, alterations, repairs and improvements to the Premises which it may consider necessary and proper to keep the Premises in good condition and repair; (iii) to appear and participate in any action or proceeding affecting or which may affect the Premises, the security hereof or the rights or powers of the Mortgagee; (iv) to pay any Impositions (as defined in Section 2.6 hereof) asserted against the Premises and to do so according to any bill, statement or estimate procured from the appropriate office without inquiry into the accuracy of the bill, statement or estimate or into the validity of any Imposition; (v) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of the Mortgagee may affect or appears to affect the Premises or the security of this Mortgage or which may be prior or superior hereto; and (vi) in exercising such powers, to pay necessary expenses, including employment of and payment of compensation

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to counsel or other necessary or desirable consultants, contractors, agents and other employees. The Mortgagor irrevocably appoints the Mortgagee its true and lawful attorney in fact, at the Mortgagee's election, to do and cause to be done all or any of the foregoing in the event the Mortgagee shall be entitled to take any or all of the action provided for in this Section. The Mortgagor shall within ten (10) days of demand therefor by the Mortgagee, pay all costs and expenses incurred by the Mortgagee in connection with the exercise by the Mortgagee of the foregoing rights, including without limitation, costs of evidence of title, court costs, appraisals, surveys and attorneys' fees, all of which shall constitute so much additional indebtedness secured by this Mortgage immediately due and payable, with interest thereon at the Default Rate.

Section 2.9. Damage and Destruction.

(a) The Mortgagor shall give the Mortgagee prompt notice of any damage to or destruction of any portion or all of the Premises or the Equipment, and the provisions contained in the following paragraphs of this Section shall apply in the event of any such damage or destruction.

(b) In the case of loss covered by policies of insurance, the Mortgagee is hereby authorized at its option either (i) to settle and adjust any claim under such policies without the consent of the Mortgagor, or (ii) to allow the Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss; and in any case the Mortgagee shall, and is hereby authorized to, collect and receipt for any such insurance proceeds; and the reasonable expenses incurred by the Mortgagee in the adjustment and collection of insurance proceeds shall be so much additional indebtedness secured by this Mortgage, and shall be reimbursed to the Mortgagee upon demand.

(c) In the event of any insured damage to or destruction of the Premises or the Equipment, or any part thereof, the proceeds of insurance payable as a result of such loss shall be applied upon the indebtedness secured by this Mortgage or applied to the repair and restoration of the Premises and the Equipment, as the Mortgagee in its sole discretion shall elect; provided that in the event that within 30 days of the event resulting in such damage or destruction the Mortgagor shall deliver to the Mortgagee a certificate of an architect licensed to do business in the State of Illinois stating that the estimated cost of repairing and restoring the Premises and the Equipment to their condition prior to such damage or destruction will not exceed \$100,000, the proceeds of insurance shall be made available to the Mortgagor to effect such repairs and restoration, all in accordance with Section 2.9(d) below.

(d) In the event that the Mortgagor shall have the right to have, or the Mortgagee shall elect to allow, the proceeds of insurance to be applied to the repair and restoration of the Premises or the Equipment, the Mortgagor hereby covenants promptly to repair and restore the same. In such event such proceeds shall be made available, from time to time, to pay or reimburse the costs of such repair and restoration, upon the Mortgagee's being furnished with satisfactory evidence of the estimated cost of such repair and restoration and with such architect's certificates, waivers of lien, contractors' sworn statements and other evidence of cost and of payments as the Mortgagee may require and approve, and if the estimated cost of the work exceeds 10% of the original principal amount of the indebtedness secured hereby, with all plans and specifications for such repair or restoration as the Mortgagee may require and

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reasonably approve. No payment made prior to the final completion of the work shall exceed 90% of the value of the work performed from time to time, and at all times the undisbursed balance of said proceeds remaining in the hands of the Mortgagee shall be at least sufficient to pay for the cost of completion of the work, free and clear of any liens.

Section 2.10. Eminent Domain.

(a) Should the Premises or any part thereof or interest therein be taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner, or should the Mortgagor receive any notice or other information regarding any such proceeding, the Mortgagor shall give prompt written notice thereof to the Mortgagee, and the provisions contained in the following paragraphs of this Section shall apply.

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

(c) In the event that any portion of the Premises are taken or damaged as aforesaid, all such proceeds shall be applied upon the indebtedness secured by this Mortgage or applied to the repair and restoration of the Premises, as the Mortgagee in its sole discretion shall elect.

(d) In the event that the Mortgagee shall elect that such proceeds are to be applied to the repair and restoration of the Premises, the Mortgagor hereby covenants promptly to repair and restore the same. In such event such proceeds shall be made available, from time to time, to pay or reimburse the costs of such repair and restoration on the terms provided for in Section 2.9(d) hereof with respect to insurance proceeds.

Section 2.11. Inspection of Premises. The Mortgagee, or its agents, representatives or workmen, are authorized to enter at any reasonable time upon or in any part of the Premises for the purpose of inspecting the same and for the purpose of performing any of the acts it is authorized to perform under the terms of this Mortgage or any of the other Loan Documents. Provided that its costs and expenses are not increased, and additional costs and expenses are not thereby incurred, the Mortgagee, when exercising its rights under this Section, shall do so in a manner so as to not unreasonably disrupt the business operations of occupants of the Premises.

Section 2.12. Inspection of Books and Records; Information

(a) The Mortgagor shall keep and maintain full and correct records showing in detail the income and expenses of the Premises and shall make such books and records and all supporting vouchers and data available for examination by the Mortgagee and its agents at any time and from time to time on request at the offices of the Mortgagee, or at such other location as may be mutually agreed upon.

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(b) The Mortgagor shall furnish to the Mortgagee such information and data with respect to the financial condition, business affairs and operations of the Mortgagor as may be reasonably requested from time to time by the Mortgagee (all such information and data to be prepared in such manner as to truly and accurately reflect the financial condition of the Mortgagee), and shall maintain a system of accounting capable of furnishing all such information and data. Without limitation on the generality of the foregoing provisions of this Section, the Mortgagor shall furnish to the Mortgagee copies of all income tax returns of the Mortgagor promptly after same are prepared and filed.

Section 2.13. Title, Liens and Conveyances.

(a) The Mortgagor represents that it holds, and covenants that it will at all times hereafter hold, good and marketable title to the Premises, subject only to Permitted Encumbrances. The Mortgagor shall comply with, and cause the Premises to at all times comply with, all applicable requirements of the Permitted Encumbrances.

(b) Except for Permitted Encumbrances, the Mortgagor shall not create, suffer or permit to be created or filed against the Premises, or any part thereof or interest therein, any mortgage lien or other lien, charge or encumbrance, either superior or inferior to the lien of this Mortgage. The Mortgagor shall have the right to contest in good faith the validity of any such lien, charge or encumbrance, provided the Mortgagor shall first deposit with the Mortgagee a bond, title insurance or other security satisfactory to the Mortgagee in such amounts or form as the Mortgagee shall require; provided further that the Mortgagor shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged. If the Mortgagor shall fail to discharge or so contest any such lien, encumbrance or charge, then, in addition to any other right or remedy of the Mortgagee, the Mortgagee may, but shall not be obligated to, discharge the same, either by paying the amount claimed to be due, or by procuring the discharge of such lien by depositing in court a bond for the amount claimed or otherwise giving security for such claim, or in such manner as is or may be prescribed by law and any amounts expended by the Mortgagee in so doing shall be so much additional indebtedness secured by this Mortgage. Except for Permitted Encumbrances and liens, charges and encumbrances being contested as provided above, in the event that the Mortgagor shall suffer or permit any superior or junior lien, charge or encumbrance to be attached to the Premises and shall fail to discharge same as described above, the Mortgagee, at its option, shall have the unqualified right to accelerate the maturity of the Note causing the full principal balance and accrued interest on the Note to become immediately due and payable without notice to the Mortgagor.

(c) In the event title to the Premises is now or hereafter becomes vested in a trustee, any prohibition or restriction contained herein upon the creation of any lien against the Premises shall also be construed as a similar prohibition or limitation against the creation of any lien or security interest upon the beneficial interest under such trust.

(d) In the event that the Mortgagor shall sell, transfer, convey or assign the title to all or any portion of the Premises, whether by operation of law, voluntarily, or otherwise, or the Mortgagor shall contract to do any of the foregoing, the Mortgagee, at its option, shall have the unqualified right to accelerate the maturity of the Note causing the full principal balances

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thereof, all accrued interest thereon, and any prepayment premium to be immediately due and payable without notice to the Mortgagor.

(e) Any waiver by the Mortgagee of the provisions of this Section shall not be deemed to be a waiver of the right of the Mortgagee to insist upon strict compliance with the provisions of this Section in the future.

Section 2.14. Taxes Affecting Mortgage.

(a) If at any time any federal, State or municipal law shall require any documentary stamps or other tax hereon or on the Note, or shall require payment of any tax upon the indebtedness secured hereby, then the said indebtedness and the accrued interest thereon shall be and become due and payable at the election of the Mortgagee upon 30 days' notice to the Mortgagor; provided, however, said election shall be unavailing and this Mortgage and the Note shall be and remain in effect, if the Mortgagor lawfully may pay for such stamps or such tax including interest and penalties thereon to or on behalf of the Mortgagee and the Mortgagor does in fact pay, when payable, for all such stamps or such tax, as the case may be, including interest and penalties thereon.

(b) In the event of the enactment after the date of this Mortgage of any law of the State in which the Premises are located deducting from the value of the Premises for the purpose of taxation any lien thereon, or imposing upon the Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by the Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the Mortgagee's interest in the Premises, or the manner of collection of taxes, so as to affect this Mortgage or the debt secured hereby or the holder hereof, then, and in any such event, the Mortgagor, upon demand by the Mortgagee, shall pay such taxes or assessments, or reimburse the Mortgagee therefor; provided, however, that if, in the opinion of counsel for the Mortgagee, (i) it might be unlawful to require Mortgagor to make such payment or (ii) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then, and in such event, the Mortgagee may elect, by notice in writing given to the Mortgagor, to declare all of the indebtedness secured hereby to be due and payable within 30 days from the giving of such notice. Notwithstanding the foregoing, it is understood and agreed that the Mortgagor is not obligated to pay any portion of Mortgagee's federal or State income tax.

Section 2.15. Environmental Matters.

(a) The Mortgagor hereby represents and warrants to the Mortgagee that except as disclosed in the Phase I environmental audit of the Premises heretofore delivered to the Mortgagee, (A) neither the Mortgagor nor any of its affiliates or subsidiaries, nor, to the best of the Mortgagor's knowledge, any other person or entity, has ever caused or permitted any Hazardous Material to be placed, held, located or disposed of on, under or at (i) the Premises or any part thereof, or (ii) any other real property in which the Mortgagor or any of its affiliates or subsidiaries holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust the beneficial interest in which is owned, in whole or in part, by the Mortgagor or any of its affiliates or subsidiaries), and (B) none of the property described above

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has ever been used by the Mortgagor or any of its affiliates or subsidiaries, or, to the best of the Mortgagor's knowledge, by any other person or entity, as a treatment, storage or disposal site (whether permanent or temporary) for any Hazardous Material, and that there are no underground storage tanks located on the Premises.

(b) Without limitation on any other provision hereof, the Mortgagor hereby agrees to indemnify and hold the Mortgagee harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses and claims of any kind whatsoever (including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any of the following (collectively, "**Environmental Laws**"): the Comprehensive Environmental Response, Compensation, and Liability Act, any so-called "Superfund" or "Superlien" law or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree now or hereafter in force, regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Material) paid, incurred, suffered by or asserted against the Mortgagee as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of, the Mortgagor: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release of any Hazardous Material from (A) the Premises or any part thereof, or (B) any other real property in which the Mortgagor or any of its affiliates or subsidiaries holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust the beneficial interest in which is owned, in whole or in part, by the Mortgagor or any of its affiliates or subsidiaries), or (ii) any liens against the Premises permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligations of the Mortgagor or any of its affiliates or subsidiaries under any Environmental Laws, or (iii) any actual or asserted liability or obligations of the Mortgagee or any of its affiliates or subsidiaries under any Environmental Law relating to the Premises.

(c) The representations, warranties, covenants, indemnities and obligations provided for in this Section 2.15 shall be continuing and shall survive the payment, performance, satisfaction, discharge, cancellation, termination, release and foreclosure of this Mortgage; provided, however, that such representations, warranties, covenants, indemnities and obligations shall not apply with respect to Hazardous Materials which are first placed on the Premises on or after the date on which the Mortgagee or any other party obtains title to and possession of the Premises pursuant to an exercise by the Mortgagee of its remedies under this Mortgage or any of the other Loan Documents or as a result of a conveyance of title to the Premises by the Mortgagor to the Mortgagee or such other party in lieu of such exercise of remedies.

Section 2.16. Estoppel Letters. The Mortgagor shall furnish from time to time, within 15 days after the Mortgagee's request, a written statement, duly acknowledged, of the amount due upon this Mortgage and whether any alleged offsets or defenses exist, or are claimed to exist, against the indebtedness secured by this Mortgage.

Section 2.17. Assignment of and Entitlement to Rents and Leases. Mortgagor grants, transfers and assigns to Mortgagee, with right of reassignment, all of Mortgagor's rights, title and interest in, under and to any and all of the following: (a) all Leases; (b) all security deposits and guarantees of the obligations of the tenants under the Leases (individually a "**Tenant**" and collectively the "**Tenants**"); (c) the immediate and continuing right to collect and receive all

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rents, income, payments and profits arising out of all or any part of the Leases and the Premises (the "**Rents**"); (d) the right to all proceeds payable to Mortgagor pursuant to any sales contracts or purchase options on the part of any and all of the Tenants; and (e) all payments derived from any of the foregoing including, but not limited to, claims for and proceeds from (i) the recovery of damages done to the Premises or for the abatement of any nuisance existing on the Premises; (ii) damages resulting from any default under the Leases, whether resulting from acts of insolvency or acts of bankruptcy or otherwise; (iii) lump sum payments for the cancellation of any of the Leases or the waiver of any obligation or term of any of the Leases prior to any expiration date; and (iv) the return of any insurance premiums or ad valorem tax payments made in advance and subsequently refunded. The assignment described in this Section (the "**Rents Assignment**") shall constitute a perfect, absolute and present assignment, provided Mortgagor shall have the right to collect, but not prior to accrual, all of the Rents and to retain, use and enjoy the Rents and to exercise all other rights (except as limited by this Rents Assignment) and fulfill all other obligations under the Leases unless and until the occurrence of an Event of Default. Nothing contained in the Rents Assignment and no actions taken pursuant to the Rents Assignment, including acts or omissions after an Event of Default, shall be construed as constituting Mortgagor a "Mortgagee in Possession" or "in control" of Mortgagor.

ARTICLE III

LEASES; DECLARATION OF SUBORDINATION TO LEASES

Section 3.1. Leases. The Mortgagor agrees (i) that it will not enter into any lease of the Premises or any portion thereof without the prior written consent of the Mortgagee; (ii) that it will at all times duly perform and observe all of the terms, provisions, conditions and agreements on its part to be performed and observed under any and all leases of the Premises or any portion thereof, including, but not limited to, the Lease, and shall not suffer or permit any Default or Event of Default on the part of the lessor to exist thereunder; (iii) that it will not agree or consent to, or suffer or permit, any termination, surrender, modification, amendment or assignment of, or any sublease under, or waive any rights under, any lease of the Premises, or any portion thereof, including, but not limited to, the Lease, without the prior written consent of the Mortgagee; and (iv) except for security deposits not to exceed one month's rent for any one lessee, that it will not collect any rent for more than one month in advance of the date same is due. Nothing herein contained shall be deemed to obligate the Mortgagee to perform or discharge any obligation, duty or liability of the lessor under any lease of the Premises, and the Mortgagor shall and does hereby indemnify and hold the Mortgagee harmless from any and all liability, loss or damage which the Mortgagee may or might incur under any leases of the Premises or by reason of the Assignment of Rents; and any and all such liability, loss or damage incurred by the Mortgagee, together with the costs and expenses, including reasonable attorneys' fees, incurred by the Mortgagee in the defense of any claims or demands therefor (whether successful or not), shall be so much additional indebtedness secured by this Mortgage, and the Mortgagor shall reimburse the Mortgagee therefor on demand.

Section 3.2. Declaration of Subordination to Leases. At the option of the 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 leases and subleases of all or any part of the Premises upon the execution by the Mortgagee and

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recording thereof, at any time hereafter, in the Office of the Recorder of Deeds of the county wherein the Premises are situated, of a unilateral declaration to that effect.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

Section 4.1. Representations and Warranties. . In addition to representation and warranties elsewhere in this Mortgage, the Mortgagor hereby represents and warrants to the Mortgagee as follows:

- (i) The Mortgagor is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of the State of Illinois, has all necessary power and authority to carry on its present business, and has full right, power and authority to enter into this Mortgage, to make the borrowings herein provided for, to execute and deliver the Note and the other Loan Documents to which it is a party, and to otherwise perform and consummate the transactions contemplated hereby and thereby.
- (ii) The Premises do not violate any presently existing governmental regulation with respect thereto, or any covenants, conditions or restrictions affecting the Premises, and the current and anticipated use of the Premises complies with all presently existing applicable ordinances, regulations and covenants, conditions and restrictions affecting the Premises, in each case a violation of which would have a material adverse effect on the value or the utility of the Premises.
- (iii) All utility services necessary for the operation of the Premises for their intended purposes are available at the Premises, including water supply, storm and sanitary sewer facilities and gas and/or electric and telephone facilities.
- (iv) All roads, easements and other necessary modes of ingress and egress to the Premises necessary for the full utilization of the Premises for their intended purposes have been completed or obtained.
- (v) The Mortgagor has not received notice of, and has no knowledge of, (A) any proceedings, whether actual, pending or threatened, for the taking under the power of eminent domain or any similar power or right, of all or any portion of the Premises, or of any other collateral security for the indebtedness secured hereby; or (B) any damage to or destruction of any portion of the Premises or such other property; or (C) any zoning, building, fire or health code violations in respect of the Premises which have not heretofore been corrected.
- (vi) The Lease is in full force and effect and has not been modified or amended, and no Default or Event of Default on the part of the Mortgagor or the lessee exists thereunder.
- (vii) The statements by or concerning the Mortgagor, Michigan Borrower and the Premises contained in the recitals hereto and in the other Loan Documents are true and correct in all material respects.

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- (viii) All financial statements concerning the Mortgagor which have been furnished by the Mortgagor or Michigan Borrower to Mortgagee have been prepared in accordance with generally accepted accounting principles consistently applied (except as disclosed therein) and present fairly the financial condition of the Mortgagor as at the dates thereof and the results of its operations for the periods then ended in all material respects.

Section 4.2. Survival. .. The foregoing representations and warranties of the Mortgagor shall be continuing and shall survive the execution and delivery of this Mortgage, the other Loan Documents and the disbursement of the indebtedness secured hereby.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

Section 5.1. Events of Default. Any one or more of the following shall constitute an "Event of Default" under this Mortgage:

- (a) A default shall occur in the payment when due of any installment of principal of or interest on the Note, or in the payment when due of any other amount required to be paid by the Mortgagor to the Mortgagee under this Mortgage or under any of the other Loan Documents, or in the payment when due of any amount required to be paid by Michigan Borrower to the Mortgagee under the Loan Agreement or under any of the Loan Documents, or in the payment when due of any other indebtedness secured by this Mortgage; or
- (b) The Mortgagor shall fail to comply with any provision of this Mortgage or of any of the other Loan Documents, relating to the payment by the Mortgagor of any amount payable to a party other than the Mortgagee and the continuance of such failure beyond any applicable grace; or
- (c) The Mortgagor or any indemnitor under the Indemnity Agreement shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Mortgagor or any such indemnitor or of all or any part of the Premises, or of any or all of the royalties, revenues, rents, issues or profits thereof, or shall make any general assignment for the benefit of creditors, or shall admit in writing its or his inability to pay its or his debts generally as they become due; or
- (d) A court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against the Mortgagor or any indemnitor under the Indemnity Agreement seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree shall remain unvacated and

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unstayed for an aggregate of 30 days (whether or not consecutive) from the first date of entry thereof; or any trustee, receiver or liquidator of the Mortgagor or any such indemnitor or of all or any part of the Premises, or of any or all of the royalties, revenues, rents, issues or profits thereof, shall be appointed and such appointment shall remain unvacated and unstayed for an aggregate of 30 days (whether or not consecutive); or

(e) A writ of execution or attachment or any similar process shall be issued or levied against all or any part of or interest in the Premises, or any judgment involving monetary damages shall be entered against the Mortgagor which shall become a lien on the Premises or any portion thereof or interest therein and such execution, attachment or similar process or judgment is not released, bonded, satisfied, vacated or stayed within 30 days after its entry or levy; or

(f) If any representation or warranty of the Mortgagor or any indemnitor under the Indemnity Agreement, contained in this Mortgage, in any of the other Loan Documents, or in any statement, certificate or other document delivered in connection with the loan evidenced by the Note shall be untrue or incorrect in any material respect; or

(g) If any default by the Mortgagor under any lease of the Premises, including, without limitation, the Lease, shall occur and continue after the expiration of any applicable grace period, or if any such lease shall be terminated, modified, amended or assigned, or a sublease thereunder shall occur, without the prior written consent of the Mortgagee; or

(h) [intentionally omitted]; or

(i) If in violation of Section 2.13, the Mortgagor shall (i) suffer or permit any superior or junior lien, charge or encumbrance to be attached to the Premises, except for Permitted Encumbrances and liens, charges and encumbrances being contested as provided in said Section or (ii) shall sell, transfer, convey or assign the title to all or any portion of the Premises, whether by operation of law, voluntarily, or otherwise, or shall contract to do so; or

(j) Default by the Mortgagor shall occur in the performance, observance or compliance with any term, covenant, condition, agreement or provision contained in this Mortgage other than as described in paragraphs (a) through (i) above which is not cured within 30 days after written notice from the Mortgagee to the Mortgagor, provided, however, that if the default stated in any such notice is susceptible of cure but cannot be cured within said 30-day period, it shall not constitute the basis of an Event of Default hereunder if (i) corrective action capable of remedying such default is instituted by the Mortgagor within the applicable period and diligently pursued until the default is cured; (ii) the Mortgagor shall have certified to the Mortgagee, prior to the end of the applicable period, that corrective action capable of curing such default has been instituted and is being diligently pursued and that such corrective action will be diligently pursued until said default is cured; and (iii) said default is corrected within 60 days following the initial notice to the Mortgagor; or

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(k) If there has occurred an Event of Default under any of the other Loan Documents or any other breach of or default under any term, covenant, agreement, condition, provision, representation or warranty contained in any of the other Loan Documents which has not been cured within any applicable grace period; or

(l) If any event of default has occurred or been declared under any other mortgage or trust deed on the Premises; or

(m) Default shall occur in the payment of any moneys due and payable to the Mortgagee by the Mortgagor, Michigan Borrower or any indemnitor under the Indemnity Agreement, other than in connection with the loans evidenced by the Note, or default shall occur in the performance or observance of any obligation or condition on the part of the Mortgagor or any such indemnitor under any written contract, agreement or other instrument heretofore or hereafter entered into with or for the benefit of the Mortgagee other than in connection with such loan, which has not been and such default shall not have been cured within any applicable grace period.

Section 5.2. Acceleration upon Default; Additional Remedies. Upon or at any time after the occurrence of any Event of Default, the Mortgagee may declare the Note and all indebtedness secured by this Mortgage to be due and payable and the same shall thereupon become due and payable without any presentment, demand, protest or notice of any kind. Thereafter the Mortgagee may:

(a) Either in person or by agent, with or without bringing any action or proceeding, if applicable law permits, enter upon and take possession of the Premises, or any part thereof, in its own name, and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Premises, or any part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Premises, sue for or otherwise collect the rents, issues and profits thereof, including those past due and unpaid, and apply the same to the payment of taxes, insurance premiums and other charges against the Premises or in reduction of the indebtedness secured by this Mortgage; and the entering upon and taking possession of the Premises, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any Event of Default or notice of Default hereunder or invalidate any act done in response to such Event of Default or pursuant to such notice of Default and, notwithstanding the continuance in possession of the Premises or the collection, receipt and application of rents, issues or profits, the Mortgagee shall be entitled to exercise every right provided for in any of the other Loan Documents or by law upon occurrence of any Event of Default; or

(b) Commence an action to foreclose this Mortgage, appoint a receiver, or specifically enforce any of the covenants hereof; or

(c) Sell the Premises, or any part thereof, or cause the same to be sold, and convey the same to the purchaser thereof, pursuant to the statute in such case made and provided, and out of the proceeds of such sale retain all of the indebtedness secured by this Mortgage including, without limitation, principal, accrued interest, costs and charges

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of such sale, the attorneys' fees provided by such statute (or in the event of a suit to foreclose by court action, a reasonable attorneys fee), rendering the surplus moneys, if any, to the Mortgagor; provided, that in the event of public sale, such property may, at the option of the Mortgagee, be sold in one parcel or in several parcels as the Mortgagee, in its sole discretion, may elect; or

(d) Exercise any or all of the remedies available to a secured party under the Uniform Commercial Code of Illinois and any notice of sale, disposition or other intended action by the Mortgagee, sent to the Mortgagor at the address specified in Section 6.13 hereof, at least five days prior to such action, shall constitute reasonable notice to the Mortgagor; or.

(e) Exercise any of the other rights and remedies provided for in this Mortgage, in any of the other Related Documents or by applicable law, including, without limitation, the right of set off.

Section 5.3. Foreclosure; Expense of Litigation. When the indebtedness secured by this Mortgage, or any part thereof, shall become due, whether by acceleration or otherwise, the Mortgagee shall have the right to foreclose the lien hereof for such indebtedness or part thereof. In any suit to foreclose the lien hereof or enforce any other remedy of the Mortgagee under this Mortgage or the Note, there shall be allowed and included as additional indebtedness in the decree for sale or other judgment or decree, all expenditures and expenses which may be paid or incurred by or on behalf of the 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 decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as the Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises. All expenditures and expenses of the nature in this Section mentioned, and such expenses and fees as may be incurred in the protection of the Premises and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by the Mortgagee in any litigation or proceeding affecting this Mortgage, any of the other Loan Documents or the Premises, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall be so much additional indebtedness secured by this Mortgage, immediately due and payable, with interest thereon at the Default Rate. In the event of any foreclosure sale of the Premises, the same may be sold in one or more parcels. The Mortgagee may be the purchaser at any foreclosure sale of the Premises or any part thereof.

Section 5.4. Application of Proceeds of Foreclosure Sale. The proceeds of any foreclosure sale of the Premises or of the exercise of any other remedy hereunder shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings or such other remedy, including all such items as are mentioned in Section 5.3 hereof; second, all other items which under the terms hereof constitute indebtedness secured by this Mortgage additional to that evidenced by the Note, with interest thereon as therein provided; third, all principal and interest remaining unpaid on the

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Note; and fourth, any remainder to the Mortgagor, its successors or assigns, as their rights may appear.

Section 5.5. Appointment of Receiver. Upon or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Premises or any portion thereof. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of the Mortgagor at the time of application for such receiver and without regard to the then value of the Premises and the Mortgagee or any holder of the Note may be appointed as such receiver. Such receiver shall have power (i) to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit, as well as during any further times when the Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits; (ii) to extend or modify any then existing leases and to make new leases, which extension, 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 the indebtedness secured by this Mortgage 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 options or other such provisions to be contained therein, shall be binding upon the 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 discharge of the indebtedness secured by this Mortgage, satisfaction of any foreclosure judgment, or issuance of any certificate of sale or deed to any purchaser; and (iii) 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 the indebtedness secured by this Mortgage, or found due or secured by any judgment 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.

Section 5.6. Insurance After Foreclosure. In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in repairing and restoring the Premises, shall be used to pay the amount due in accordance with any judgment of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid as the court may direct.

Section 5.7. Remedies Not Exclusive; No Waiver of Remedies.

(a) The Mortgagee shall be entitled to enforce payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this Mortgage or under any of the other Loan Documents or other agreement or any laws now or hereafter in force, notwithstanding that some or all of the said indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or other powers herein contained, shall prejudice or in any manner affect the Mortgagee's right to realize upon or enforce any other security now or hereafter held by the Mortgagee, it being agreed that the Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by the Mortgagee in such order and

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manner as it may in its absolute discretion determine. No remedy herein conferred upon or reserved to the Mortgagee is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Loan Documents to the Mortgagee or to which it may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as it may be deemed expedient by the Mortgagee and the Mortgagee may pursue inconsistent remedies. Failure by the Mortgagee to exercise any right which it may exercise hereunder, or the acceptance by the Mortgagee of partial payments, shall not be deemed a waiver by the Mortgagee of any Default or of its right to exercise any such rights thereafter.

(b) In the event the Mortgagee at any time holds additional security for any of the indebtedness secured by this Mortgage, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before or concurrently with exercising remedies under this Mortgage or after a sale is made hereunder.

Section 5.8. No Mortgagee in Possession. Nothing herein contained shall be construed as constituting the Mortgagee a mortgagee in possession.

Section 5.9. Waiver of Certain Rights. The Mortgagor shall not and will 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 rather waives the benefit of such laws. The 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 Premises marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Premises sold as an entirety. The Mortgagor hereby waives any and all rights of redemption under any applicable law, including, without limitation, redemption from sale or from or under any order, judgment or decree of foreclosure, pursuant to rights herein granted, on behalf of the Mortgagor and all persons beneficially interested therein and each and every person acquiring any interest in or title to the Premises subsequent to the date of this Mortgage, and on behalf of all other persons to the extent permitted by the provisions of the laws of the State in which the Premises are located.

THE MORTGAGOR HEREBY IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING (I) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS MORTGAGE OR THE INDEBTEDNESS SECURED HEREBY OR BY ANY INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH OR THEREWITH, OR (II) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS MORTGAGE, OR THE INDEBTEDNESS SECURED HEREBY OR ANY SUCH INSTRUMENT, DOCUMENT OR AGREEMENT, AND AGREES THAT ANY SUCH ACTION OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

Section 5.10. Mortgagee's Use of Deposits. With respect to any deposits made with or held by the Mortgagee or any depository pursuant to any of the provisions of this Mortgage, in

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the event of a Default in any of the provisions contained in this Mortgage, in the Note or any of the other Loan Documents, the Mortgagee may, at its option, without being required to do so, apply any moneys or securities which constitute such deposits on any of the obligations under this Mortgage, the Note or the other Loan Documents, in such order and manner as the Mortgagee may elect. When the indebtedness secured hereby has been fully paid, any remaining deposits shall be paid to the Mortgagor. Such deposits are hereby pledged as additional security for the prompt payment of the Note and any other indebtedness hereunder and shall be held to be irrevocably applied by the depository for the purposes for which made hereunder and shall not be subject to the direction or control of the Mortgagor.

ARTICLE VI

MISCELLANEOUS

Section 6.1. Recitals. The recitals hereto are hereby incorporated into and made a part of this Mortgage.

Section 6.2. Time of Essence. Time is of the essence of this Mortgage and of each and every provision hereof.

Section 6.3. Usury. The Mortgagor hereby represents and covenants that the proceeds of the Note will be used for the purposes specified in subparagraph 1(c) contained in Section 205/4 of Chapter 815 of the Illinois Compiled Statutes, and that the indebtedness secured hereby constitutes a "business loan" within the meaning of that Section.

Section 6.4. Lien for Service Charges and Expenses. At all times, regardless of whether any loan proceeds have been disbursed, this Mortgage secures (in addition to any loan proceeds disbursed from time to time) the payment of any and all origination fees, loan commissions, service charges, liquidated damages, expense and advances due to or incurred by the Mortgagee in connection with the loan to be secured hereby, all in accordance with the application and any loan commitment issued in connection with this transaction.

Section 6.5. Subrogation. To the extent that proceeds of the indebtedness secured by this Mortgage are used to pay any outstanding lien, charge or prior encumbrance against the Premises, the Mortgagee shall be subrogated to any and all rights and liens owned by any owner or holder of such outstanding liens, charges and prior encumbrances, and shall have the benefit of the priority thereof, irrespective of whether said liens, charges or encumbrances are released.

Section 6.6. Recording. The Mortgagor shall cause this Mortgage and all other documents securing the indebtedness secured by this Mortgage at all times to be properly filed and/or recorded at the Mortgagor's own expense and in such manner and in such places as may be required by law in order to fully preserve and protect the rights of the Mortgagee.

Section 6.7. Further Assurances. The Mortgagor will do, execute, acknowledge and deliver all and every further acts, deeds, conveyances, transfers and assurances necessary or advisable, in the judgment of the Mortgagee, for the better assuring, conveying, mortgaging, assigning and confirming unto the Mortgagee all property mortgaged hereby or property intended so to be, whether now owned by the Mortgagor or hereafter acquired.

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Section 6.8. No Defenses. No action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note.

Section 6.9. Invalidity of Certain Provisions. If the lien of this Mortgage is invalid or unenforceable as to any part of the indebtedness secured by this Mortgage, or if such lien is invalid or unenforceable as to any part of the Premises, the unsecured or partially secured portion of the indebtedness secured by this Mortgage shall be completely paid prior to the payment of the remaining and secured or partially secured portion thereof, and all payments made on the indebtedness secured by this Mortgage, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion thereof which is not secured or fully secured by the lien of this Mortgage.

Section 6.10. Illegality of Terms. Nothing herein or in the Note contained nor any transaction related thereto shall be construed or shall so operate either presently or prospectively, (i) to require the Mortgagor to pay interest at a rate greater than is now lawful in such case to contract for, but shall require payment of interest only to the extent of such lawful rate, or (ii) to require the Mortgagor to make any payment or do any act contrary to law. If any provision contained in this Mortgage shall otherwise so operate to invalidate this Mortgage, in whole or in part, then such provision only shall be held for naught as though not herein contained and the remainder of this Mortgage shall remain operative and in full force and effect, and the Mortgagee shall be given a reasonable time to correct any such error.

Section 6.11. Mortgagee's Right to Deal with Transferee. In the event of the voluntary sale, or transfer by operation of law, or otherwise, of all or any part of the Premises, the Mortgagee is hereby authorized and empowered to deal with such vendee or transferee with reference to the Premises, or the debt secured hereby, or with reference to any of the terms or conditions hereof, as fully and to the same extent as it might with the Mortgagor, without in any way releasing or discharging the Mortgagor from the covenants and/or undertakings hereunder, specifically including Section 2.13(d) hereof, and without the Mortgagee waiving its rights to accelerate the Note as set forth in Section 2.13(d).

Section 6.12. Releases. The Mortgagee, without notice, and without regard to the consideration, if any, paid therefor, and notwithstanding the existence at that time of any inferior liens, may release any part of the Premises, or any person liable for any indebtedness secured hereby, without in any way affecting the liability of any party to the Note, this Mortgage, or any guaranty given as additional security for the indebtedness secured hereby and without in any way affecting the priority of the lien of this Mortgage, and may agree with any party obligated on said indebtedness to extend the time for payment of any part or all of the indebtedness secured hereby. Such agreement shall not, in any way, release or impair the lien created by this Mortgage, or reduce or modify the liability, if any, of any person or entity personally obligated for the indebtedness secured hereby, but shall extend the lien hereof as against the title of all parties having any interest in said security which interest is subject to the indebtedness secured by this Mortgage. Upon payment in full of all principal of and interest prepayment penalties, if any, on the Note, and of all other obligations secured by this Mortgage, the Mortgagee, within ten days of the Mortgagor's written request, shall cancel and return to the Mortgagor and

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Michigan Borrower, respectively, the Notes and shall release this Mortgage and all Uniform Commercial Code financing statements filed in connection herewith.

Section 6.13. Giving of Notice. All notices, requests and demands to or upon the parties shall be given by (i) certified mail; (ii) facsimile transmission confirmed by mailing or delivering a copy as provided in clause (i), clause, (iii) or clause (iv) hereof; (iii) by hand delivery; or (iv) by courier service (including overnight delivery service such as Federal Express). Notices shall be deemed to have been given (a) in the case of notice by certified mail, five days after deposit thereof in the United States mails, postage prepaid, return receipt requested, and (b) in all other cases, upon receipt of the notice without regard to the date of receipt of any confirming copy; provided that a notice directed to the attention of any individual at a business entity shall be deemed given when received by any officer of the entity at the address or facsimile number to which such notice is to be sent as determined in accordance with this Section. Copies of notices directed to a party which are required to be sent to other persons shall be deemed received by such other persons on the date on which the party receives such notice.

If to Mortgagee: Park National Bank
801 North Clark Street
Chicago, Illinois 60610-3287
Attention: Terrance Rosenberger and Sarah Mogy

with copy to: Krasnow Saunders Cornblath, LLP
500 North Dearborn, 2nd Floor
Chicago, IL 60610
Attention: Robert M. Berger

If to Borrower: The Presbytery of Chicago
100 South Morgan Street
Chicago, Illinois 60607
Attn: John F. Coughlin, Director of Business
Affairs and Assistant Secretary

with a copy to David G. Strom
Hoogendoorn & Talbot LLP
122 South Michigan Avenue, Suite 1220
Chicago, Illinois 60603

Section 6.14. Binding Effect. This Mortgage and each and every covenant, agreement and other provision hereof shall be binding upon the Mortgagor and its successors and assigns (including, without limitation, each and every from time to time record owner of the Premises or any other person having an interest therein), and shall inure to the benefit of the Mortgagee and its successors and assigns. Wherever herein the Mortgagee is referred to, such reference shall be deemed to include the holders from time to time of the Note, whether so expressed or not; and each such holder of the Note shall have and enjoy all of the rights, privileges, powers, options

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and benefits afforded hereby and hereunder, and may enforce all and every of the terms and provisions hereof, as fully and to the same extent and with the same effect as if such from time to time holder were herein by name specifically granted such rights, privileges, powers, options and benefits and was herein by name designated the Mortgagee.

Section 6.15. Covenants to Run with the Land. All the covenants hereof shall run with the land.

Section 6.16. Entire Agreement. This Mortgage sets forth all of the covenants, promises, agreements, conditions and understandings of the parties relating to the subject matter of this Mortgage, and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than as are herein set forth.

Section 6.17. Governing Law; Severability; Modification. This Mortgage shall be governed by the laws of the State of Illinois. In the event that any provision or clause of this Mortgage conflicts with applicable laws, such conflicts shall not affect other provisions hereof which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage are declared to be severable. This Mortgage and each provision hereof may be modified, amended, changed, altered, waived, terminated or discharged only by a written instrument signed by the party sought to be bound by such modification, amendment, change, alteration, waiver, termination or discharge.

Section 6.18. Meanings. Wherever in this Mortgage the context requires or permits, the singular shall include the plural, the plural shall include the singular and the masculine, feminine and neuter shall be freely interchangeable.

Section 6.19. Captions. The captions or headings at the beginning of each Article and Section hereof are for the convenience of the parties and are not a part of this Mortgage.

Section 6.20. Construction and Interpretation. The Mortgagor and the Mortgagee, and their respective legal counsel, have participated in the drafting of this Mortgage, and accordingly the general rule of construction to the effect that any ambiguities in a contract are to be resolved against the party drafting the contract shall not be employed in the construction and interpretation of this Mortgage.

[SIGNATURE PAGE AND EXHIBITS,
IF ANY, FOLLOW THIS PAGE]

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IN WITNESS WHEREOF, the Mortgagor has caused this instrument to be executed as of the date first above written.

CHURCH EXTENSION BOARD OF THE
PRESBYTERY OF CHICAGO,
an Illinois not-for-profit corporation

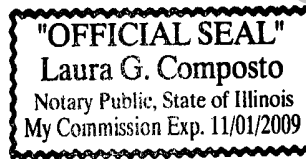
By: David E. Myles
Name: David E. Myles
Title: TREASURER

Attest: John F. Coughlin
Name: John F. Coughlin
Title: Assistant Secretary

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 14th day of September, 2007, by David E. Myles and John F. Coughlin, the Treasurer and Assistant Secretary of CHURCH EXTENSION BOARD OF THE PRESBYTERY OF CHICAGO, an Illinois not-for-profit corporation, on behalf of said corporation.

Laura G. Composto
Notary Public



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EXHIBIT A LEGAL DESCRIPTION OF THE PREMISES

PARCEL 1:

LOT 1, (EXCEPT THE WEST 6 INCHES THEREOF), IN THE ASSESSORS DIVISION OF LOTS 1 AND 2 OF LOT 1 IN BLOCK 6, IN DUNCAN'S ADDITION TO CHICAGO, OF SUB-LOTS 1 AND 2 OF LOT 1 IN BLOCK 13, IN THE CANAL TRUSTEES' SUBDIVISION OF THE WEST 1/2 OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 7, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED, IN BOOK 47"B", PAGE 28"B" OF THE RECORDER OF DEEDS IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 2 IN THE ASSESSORS DIVISION OF LOT 1, IN BLOCK 6, IN DUNCAN'S ADDITION TO CHICAGO, AND OF SUB-LOTS 1 AND 2 OF LOT 1, IN BLOCK 13, IN THE CANAL TRUSTEES' SUBDIVISION OF THE WEST 1/2 OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THE EAST 23.5 FEET OF THE WEST 522 FEET OF LOT 1, OF OUT LOT OR BLOCK 13, IN THE CANAL TRUSTEES' SUBDIVISION OF THE WEST 1/2, AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

THE WEST 6 INCHES OF LOT 1, IN THE ASSESSORS' DIVISION OF LOTS 1 AND 2, IN THE ASSESSORS' DIVISION OF LOT 1, IN BLOCK 6, IN DUNCAN'S ADDITION OF LOTS 1 AND 2, IN THE ASSESSORS' DIVISION OF LOT 1, IN THE ASSESSORS' DIVISION OF BLOCK 13, IN THE CANAL TRUSTEES' SUBDIVISION, AFORESAID.

PARCEL 5:

THE WEST 26.5 FEET OF LOT 3, IN THE SUBDIVISION OF LOT 1, IN BLOCK 13, IN THE CANAL TRUSTEES' SUBDIVISION OF THE WEST 1/2, AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID PREMISES BEING ALSO DESCRIBED AS; THAT PART OF LOT 1, IN BLOCK 13, AFORESAID, BEGINNING AT A POINT ON THE NORTH LINE OF SAID LOT 1, BEING THE SOUTH LINE OF MONROE STREET, 472 FEET, EAST OF THE WEST LINE OF THE SAID LOT; THENCE EAST, ALONG THE NORTH LINE OF THE SAID LOT, 26.5 FEET; THENCE SOUTH, 150 FEET, MORE OR LESS, TO THE SOUTH LINE OF SAID LOT 1, 26.5 FEET; THENCE NORTH, 150 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

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EXHIBIT B

ADDITIONAL PERMITTED ENCUMBRANCES

AN EASEMENT OVER THE SOUTH 12 FEET OF THE EAST 23.5 FEET OF THE WEST 522 FEET OF LOT 1 IN OUT LOT OR BLOCK 13 AFORESAID, FOR PRIVATE ALLEY CREATED BY THE WARRANTY DEED DATED APRIL 30, 1884 AND RECORDED OCTOBER 11, 1884 MADE BY HUGH T. DICKEY AND HIS WIFE TO JAMES D. BRUNER FOR THE BENEFIT OF THE OWNERS AND OCCUPANTS OF LOT 1 IN OUT LOT OR BLOCK 13, AFORESAID

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