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Cook County Recorder of Deeds
Date: 11/29/2007 09:28 AM Pg: 1 of 32

1ST AMERICAN TITLE Order # 210090 3045
HLC DEC

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TRUSTEE'S CONSTRUCTION MORTGAGE
BY
HARRIS, N.A., AS TRUSTEE
TO AND FOR THE BENEFIT OF
BARRINGTON BANK & TRUST COMPANY, N.A.

DATED AS OF NOVEMBER 20, 2007

32
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PERMANENT INDEX TAX
IDENTIFICATION No.: 16-03-212-006-0000
16-03-212-008-0000
PROPERTY ADDRESS: 4014 WEST GRAND AVENUE
CHICAGO, ILLINOIS 60651

PREPARED BY AND
AFTER RECORDING RETURN TO:

CAMERON R. MONTI
LAVELLE LAW, LTD.
501 WEST COLFAX STREET
PALATINE, ILLINOIS 60067

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TRUSTEE'S CONSTRUCTION MORTGAGE

THIS TRUSTEE'S CONSTRUCTION MORTGAGE ("Mortgage") is made as of the 10th day of November, 2007 by **HARRIS, N.A.**, a national banking association, as Trustee of Trust Agreement dated November 1, 2007, and known as Trust Number HTB 1948, ("**Mortgagor**" or "**Land Trust**"), to and for the benefit of **BARRINGTON BANK & TRUST COMPANY, N.A.**, a national banking association ("**Mortgagee**" or "**Lender**").

RECITALS:

A. Mortgagor holds title to the real estate commonly known as 4014 West Grand Avenue, Chicago, Illinois 60651 ("**Real Estate**" or "**Premises**"), and legally described and attached hereto as Exhibit A.

B. Christopher S. Barry and Jean L. Jodoin are corporate officers and each owns a proprietary interest in Life Storage Centers, LLC, an Illinois limited liability company ("**Life Storage Centers**" or "**Company**").

C. Christopher S. Barry is the Trustee under the Christopher S. Barry Trust dated December 6, 1999, and Jean L. Jodoin is the Trustee under the Jean L. Jodoin Living Trust dated February 10, 2000, each of which are the beneficiaries of the Land Trust.

D. Subject to the terms and conditions contained in that certain construction loan agreement dated as of the date hereof (the "**Loan Agreement**"), between Mortgagee, as lender; Life Storage Centers, LLC, and Harris, N.A., together and each of them as borrower; and Christopher S. Barry and Jean L. Jodoin, as guarantors (Life Storage Centers, Christopher S. Barry, and Jean L. Jodoin, and Harris, N.A., collectively and individually "**Borrowers**"), Mortgagee has agreed to make and has memorialized through a promissory note: (i) a non-revolving construction line of credit to Borrowers in the aggregate principal amount of FIVE MILLION SIX HUNDRED SEVENTY THOUSAND DOLLARS AND NO/100 CENTS (\$5,670,000.00) (the "**Loan**" or "**Note**") to finance the purchase, construction, and remodeling of a storage facility at the Real Estate location; and (ii) said Loan subject to certain loan conditions and requirements set forth by Mortgagee to be complied with by Borrowers and Mortgagor.

E. Borrowers, as designated Land Trust beneficiaries and recipients of the Loan, agree and become subject to, and comply with all of the terms, conditions, covenants, restrictions, obligations, and requirements set forth in this Mortgage, including all terms, conditions, covenants, restrictions, obligations, and requirements of imposed upon Mortgagor.

F. The execution and delivery of this Mortgage as security for the Obligations (as defined in Section 1 below), among other things, are conditions to Mortgagee's agreement to make

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the Loan to Mortgagor.

G. The Loan, if not sooner paid, or if not extended pursuant to the Loan Agreement, shall be due and payable sixty (60) months from the closing date of the Loan, being November 20, 2012 (the "**Maturity Date**").

NOW, THEREFORE, for and in consideration of: (i) the Recitals set forth above (such Recitals being incorporated herein and made a part hereof by this reference), (ii) the mutual covenants and agreements set forth in the Loan Agreement, Note, other related Loan Document(s) (as defined in the Loan Agreement executed contemporaneously herewith), and this Mortgage, (iii) the making of the Loan, and (iv) other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the Obligations, Mortgagor, intending to be legally bound, does, by these presents, mortgage, warrant and convey unto Mortgagee, its successors and assigns, all of Mortgagor's estate, right, title and interest in, to and under the Real Estate described in Exhibit A attached hereto and made a part hereof, situate, lying and being in the City of Chicago, County of Cook and the State of Illinois:

TOGETHER with all right title and interest which Mortgagor may now have or hereafter acquire in, to, under or as holder of, all property of any kind or nature whatsoever, including without limitation, the items of property which are described in clauses (a) through (i) below:

(a) the Improvements (as defined in the Loan Agreement), remodeling, and any and all other buildings and other improvements of every kind and description now or hereafter erected or placed on the Real Estate and all materials intended for construction, reconstruction, alteration and repair of the Improvements and all such buildings and improvements, now or hereafter erected thereon, all of which materials shall be deemed to be included within the Premises immediately upon delivery thereof to the Premises;

(b) all tenements, easements, fixtures and appurtenances thereto pertaining or belonging whether now held or hereafter acquired, including, without limitation, all easements, licenses, privileges and appurtenances created pursuant to any declaration of covenants, conditions, restrictions or easements now existing or hereafter created;

(c) all leases, lettings, agreements for use and occupancy, concessions and licenses of or with respect to any or all of the Improvements or other improvements on the Real Estate (collectively, the "**Leases**"), and all gross receipts, rents, issues and profits thereof accruing and to accrue from the Premises and the avails thereof (collectively, the "**Rents**") for so long and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily);

(d) all land lying in the bed of any street, road, avenue, alley, sidewalk or walkway opened or proposed, vacated or adjoining the Real Estate;

(e) all other property, fixtures, apparatus, machinery, equipment, goods, systems and

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articles of any kind or nature whatsoever now or hereafter in or on the Premises and used or useful in connection with the Improvements or any other portion of the Premises, including, without limitation, those used to produce and/or supply electricity, steam, heat, gas, air cooling, air conditioning, ventilation, water, light, power, sprinkler protection, waste removal, refrigeration (whether single units or centrally controlled); and all maintenance and cleaning materials, equipment and supplies; and all conduits, ducts, generators, compressors, pumps, tanks, motors; and all inventory, raw materials, scrap materials, component parts, work-in-process and finished and unfinished goods; and all bathroom fixtures, kitchen and restaurant equipment, shades, awnings, venetian blinds, screens, doors, windows, appliances, curtain fixtures, partitions, floor coverings and all building materials; and all security, life-safety, telephone, computer, communication, and audio-visual systems, equipment and supplies; and all other fixtures, apparatus, equipment, machinery, furniture, furnishings, supplies, goods and articles and all other items of tangible personal property of whatever kind now or hereafter owned by Mortgagor;

(f) all right, title and interest of Mortgagor in and to any and all contracts and contract rights, together with all the reversions and remainders and all insurance proceeds, deposits, refunds, rebates, rents, tolls, issues and profits related thereto and any other expectancy under or from any such contract or contract right, including, without limitation, all the estate, right, title, interest and claims whatsoever, at law or in equity, which Mortgagor may now or hereafter acquire with respect to the Improvements or any other portion of the Premises;

(g) All “**accounts**” (as defined in the Uniform Commercial Code as in effect in Illinois from time to time - the “**U.C.C.**”) and other receivables and rights to payment, including, without limitation, all right, title and interest of Mortgagor to receivables from and payment for goods or for services rendered, whether or not earned by performance, and whether or not evidenced by an instrument or chattel paper;

(h) all right, title and interest of Mortgagor in and to all contracts and agreements for the design, construction, operation or inspection of the Improvements, all advertising materials, guaranties, warranties, plans and specifications, building permits, other permits, licenses, certificates, variances, concessions, grants, franchises, consents, approvals, licenses, soil tests, environmental reports, market and feasibility studies, appraisals, insurance policies, title insurance policies, all contracts and agreements, including, without limitation, all supply and service contracts for water, sanitary and storm sewer, drainages, electricity, steam, gas, telephone and other utilities relating to the Premises and any other documents, materials or personal property of any kind now or hereafter existing in connection with the use of the Premises and in and to all contracts relating to the construction, operation and maintenance of the Premises; and

(i) all right, title and interest of Mortgagor in and to any general intangibles not otherwise specified herein, trade names, goodwill, authorizations, variances, land use entitlements, appurtenances, permits, licenses, approvals, clearances and consents; it being understood that the enumeration of any specific articles of property in clauses (a) through (i) above shall in no way result in or be held to exclude any items of property not specifically mentioned or any such items hereafter acquired (the items in clauses (e), (f), (g), (h) and (i) above being sometimes collectively called the

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“Personal Property”); and

TOGETHER with all estates, interests, rights, titles, claims or demands which Mortgagor now has or may hereinafter acquire in the Premises, including, but not limited to, any and all awards or payments, including interest thereon, and the right to receive the same, which may be made to or for the account of Mortgagor with respect to the Premises as a result of: (a) the exercise of the right of eminent domain; (b) the alteration of the grade of any street; (c) any loss of or damage to any building or other improvement on the Real Estate; (d) any other injury to or decrease in the value of the Premises; and/or (e) any refund due on account of the payment of real estate taxes, assessment or other charges levied against or imposed upon the Premises -- Mortgagor hereby agreeing to execute and deliver, from time to time, such further instruments as may be reasonably requested by Mortgagee to confirm such assignment to Mortgagee of any such award or payment.

All of the land, estate and property hereinabove described, real, personal and mixed, whether affixed or annexed or not, and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared to form a part and parcel of the Real Estate mortgaged hereby and to be appropriated to the use of the Real Estate, and shall, for the purposes of this Mortgage, be deemed to be real estate and conveyed and mortgaged hereby. As to any of the property aforesaid which (notwithstanding the aforesaid declaration and agreement) does not so form a part and parcel of said real estate, this Mortgage is hereby deemed to be, as well, a security agreement under the UCC for the purpose of creating hereby a security interest in such property, which Mortgagor hereby grants to Mortgagee as “secured party” (as said term is defined in the UCC), securing said indebtedness and obligations described in this Mortgage, and Mortgagee shall have, in addition to its rights and remedies hereunder, all rights and remedies of a “secured party” under the UCC. As to any of the above personal property which the UCC classifies as fixtures, this instrument shall constitute a fixture filing and financing statement under the UCC.

The Premises shall include any and all property now or hereafter owned or created, replacements and substitutions therefor, accessions thereto, proceeds (whether cash, noncash, moveable or immovable, tangible or intangible) received upon the sale, exchange, transfer, collection or other disposition or substitution thereof and all proceeds and products from any and all of the foregoing (a) through (i).

Mortgagor hereby covenants, represents and warrants: (i) that it is lawfully seized of the indefeasible fee title to the Premises; (ii) that it is the record title owner of the Premises and that the same are unencumbered; (iii) that it has good right, full power and lawful authority to convey and mortgage the Premises; and (iv) it shall forever defend the Premises and the quiet and peaceful possession of the same against the lawful claims of all persons whomsoever.

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

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

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Obligations Secured

1. This Mortgage secures:

(a) the due and punctual payment of the principal amount of, and interest on, the Note from time to time outstanding, as well as the timely performance of any and all other obligations under the Loan Documents;

(b) the due and punctual payment of all indebtedness evidenced by the Loan Agreement, including, without limitation, any future advances, plus all interest and applicable charges accruing thereon (including, without limitation, all interest accruing after commencement of any proceeding against or with respect to Borrowers under the Bankruptcy Code 11 U.S.C. 1101 *et seq.*, or any other Federal or state bankruptcy, insolvency, receivership or similar law at the rates specified in the Loan Agreement), and all fees due and payable in connection therewith, and all other amounts due hereunder and otherwise secured hereby under law when and as due, whether at maturity, acceleration, upon one or more dates set for payment or otherwise;

(c) the due and punctual payment of all other monetary obligations to Mortgagee under the Loan Agreement, Note, Guaranty, and/or any and all other Loan Documents, and all obligations of Mortgagor under this Mortgage, whether now existing or hereafter arising;

(d) the due and punctual performance by Borrowers and/or Mortgagor of all other covenants, agreements and obligations on the part of Mortgagor under this Mortgage, the Loan Agreement, Note, Guaranty Agreement, and any and all other Loan Documents, whether now existing or hereafter arising;

(e) any renewals, extensions, restatements, supplements, amendments or modifications of this Mortgage, the Loan Agreement, Note, Guaranty Agreement, and any other related Loan Document(s).

The foregoing items set forth in subsections (a) through (e) of this Section 1 of this Mortgage are hereinafter collectively called the "Obligations."

Mortgagor's Representations, Covenants and Warranties

2. Mortgagor and Borrower, and each of them, represents, covenants, and warrants as follows: (a) Borrowers shall: (i) construct the Premises and promptly build, repair, restore and rebuild any buildings or improvements now or hereafter located on the Real Estate which may become damaged or destroyed; (ii) keep the Premises free from mechanics' liens or other liens or claims for lien of any kind or nature whatsoever (collectively, "**Liens**"); (iii) pay when due any indebtedness which may be secured by a mortgage on the Premises, whether senior or junior to this Mortgage and whether permitted by the terms hereof or otherwise, and comply with all requirements of all Loan Documents and instruments evidencing or securing such indebtedness, and upon request, exhibit satisfactory evidence of the discharge of any such mortgage to Mortgagee; (iv) comply with

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all requirements of Federal and state laws and regulations, municipal ordinances, and any restrictions of record with respect to the Premises and the use thereof; (v) make no material deviations from the approved construction plans of the Premises, except as specifically permitted in writing by Mortgagee and as may be permitted or required by law or municipal ordinance; (vi) suffer or permit no change in the general nature of the intended occupancy or use of the Premises after completion of the construction, except as may be specifically permitted in writing by Mortgagee and permitted or required by law or municipal ordinance; (vii) initiate or acquiesce in no zoning variation or reclassification, except for zoning changes which are initiated upon reasonable advance written notice to Mortgagee and are necessary to the operation of the Improvements and which do not involve any property other than the Premises and will not result in any diminution or loss in the use or value of the Premises or in Mortgagee's security interest in the Premises; (viii) procure, maintain and renew any and all governmental licenses, approvals and permits as may be required, at any time and from time to time, in order to own, operate, repair and maintain the Premises; and (ix) pay each item of indebtedness secured by this Mortgage when due according to the terms of the Loan Documents, and pay, perform, satisfy and discharge each of the Borrower's Obligations under the Loan Documents when required to do so under the terms of this Mortgage, the Loan Agreement, Note, Guaranty Agreement, and the other related Loan Documents.

(b) Mortgagor may, in good faith and with due diligence, contest the validity or amount of any Lien, and defer payment and discharge thereof during the pendency of such contest, provided that: (i) such contest or Lien does not adversely affect Mortgagor's or Borrowers' financial condition, or Borrowers' ability to pay its Obligations or the priority or value of the lien and security interest of Mortgagee upon the Premises or any part thereof or interest therein; (ii) such contest shall have the effect of preventing the sale or forfeiture of the Premises or any part thereof, or any interest therein, to satisfy such Lien; (iii) within five (5) days after Mortgagor has first learned of the assertion of such Lien, Borrower and Mortgagor shall have notified Mortgagee in writing of Mortgagor's or Borrowers' intention to contest such Lien; and (iv) Mortgagor and Borrower shall deposit with Mortgagee a sum of money reasonably deemed adequate by Mortgagee to pay all liens and any penalties and interest thereon, increasing such deposit as Mortgagee may from time to time require in its reasonable judgment. If Borrowers and Mortgagor shall (a) fail to prosecute such contest with reasonable diligence, or (b) fail to maintain sufficient funds on deposit (as hereinabove provided) or other security (as provided below), then Mortgagee may apply money on behalf of Mortgagor/Borrower in payment of or on account of any such Lien, or that part thereof then unpaid, together with all interest and penalties thereon and Mortgagor and/or Borrower shall reimburse Mortgagee in full for all such monies, within five (5) days after demand therefor by Mortgagee. Mortgagor and/or Borrower shall, upon the final disposition of any such contest, pay in full any such Lien or that part thereof then unpaid, together with all interest and penalties thereon. In lieu of the cash deposits described in subsection (iv) above, Mortgagor may deliver to Mortgagee and maintain during the pendency of any such proceeding either a payment bond in form and from a bonding company satisfactory to Mortgagee or a letter of credit in form and from a bank satisfactory to Mortgagee or an endorsement to the Title Insurance Policy (as defined in the Loan Agreement) insuring over any such Lien, provided that such letter of credit or bond or endorsement shall indemnify Mortgagee against the Lien which Mortgagor/Borrower is contesting as aforesaid, and shall otherwise be in form and substance satisfactory to Mortgagee in its sole discretion.

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Payment of Taxes

3. (a) Mortgagor shall pay or cause to be paid, on or before the due date thereof, all general real estate taxes, special taxes, special assessments, water charges, sewer service charges, and other charges against the Premises (collectively, "Taxes"), and shall, upon written request, promptly furnish to Mortgagee duplicate receipts evidencing such payment. Mortgagor may, in good faith and with reasonable diligence, contest the validity or amount of any such Taxes; provided, however, that: (i) if required by law, Mortgagor shall pay such Taxes under protest on or before their due date; and (ii) if such payment under protest is not so required, that (x) such contest shall have the effect of preventing the collection of the Taxes so contested in the sale or forfeiture of the Premises or any part thereof, or any interest therein, to satisfy the same; (y) Mortgagor has, before such Taxes shall have been increased by any interest, penalties or costs, notified Mortgagee in writing of the intention of Mortgagor to contest the same; and (z) Mortgagor shall have deposited with Mortgagee at such place as Mortgagee may from time to time in writing appoint, a sum of money or such other indemnity, guaranty, or security acceptable to Mortgagee, in its reasonable discretion, which shall be sufficient to pay in full such contested Taxes and all penalties and interest that might become due thereon, and shall keep on deposit an amount so sufficient at all times, increasing such amount or such other indemnity, guaranty or security acceptable to Mortgagee, in its reasonable discretion, to cover additional penalties and interest whenever, in the reasonable judgment of Mortgagee, such increase is advisable. In case Mortgagor shall fail to prosecute such contest with reasonable diligence or shall fail to maintain sufficient security on deposit as hereinabove provided, Mortgagee may, at its option, after notice to Mortgagor or Borrowers, apply the security so deposited in payment of or on account of such Taxes, or that part thereof then unpaid, together with all penalties and interest thereon. If the amount of the security so deposited shall be insufficient for the payment in full of such Taxes, together with all penalties and interest thereon, Mortgagor/Borrowers shall forthwith upon demand deposit with Mortgagee sums which when added to the security then on deposit shall be sufficient to make such payment in full. Mortgagee shall, upon the final disposition of such contest, apply the security so deposited in full payment of such Taxes, or that part thereof then unpaid, together with all penalties and interest thereon (provided Mortgagor is not then in default) when so requested in writing by Mortgagor and furnished with sufficient funds to make such payment in full together with an official bill for such Taxes. Any excess on deposit shall be paid to Mortgagor.

(b) Upon the occurrence of a default under this Mortgage or under any other Loan Document, at Mortgagee's option, Mortgagor shall pay to Mortgagee on the first day of each month commencing with the first day of the month immediately following the month in which this Mortgage is executed, until the Note is paid in full or otherwise canceled and satisfied, an amount equal to one-twelfth (1/12) of the annual Taxes reasonably estimated by Mortgagee to pay the installment of Taxes next due on the Premises. Mortgagor further agrees to cause all bills, statements or other documents relating to Taxes to be sent or mailed directly to Mortgagee. Upon receipt of such bills, statements or other documents, and provided Mortgagor has deposited sufficient funds with Mortgagee pursuant to this Section 3(b), and provided further that such amounts have not been previously paid, Mortgagee shall pay such amounts as may be due thereunder out of the funds

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so deposited with Mortgagee. If at any time and for any reason the funds deposited with Mortgagee are or will be insufficient to pay such amounts as may then or subsequently be due, Mortgagee shall notify Mortgagor, and Mortgagor shall immediately deposit an amount equal to such deficiency with Mortgagee. Notwithstanding the foregoing, nothing contained herein shall cause Mortgagee to be deemed a trustee of said funds or be obligated to pay any amounts in excess of the amount of funds deposited with Mortgagee pursuant to this Section 3(b). Mortgagee shall not be obligated to pay or allow any interest on any sums held by Mortgagee pending disbursement or application hereunder. If the total deposits made pursuant to this Section 3(b) on hand at the time payment of Taxes is due and payable shall exceed the amount necessary to pay such Taxes, then such excess shall be credited against subsequent payments required to be made pursuant to this Section 3(b). Should Mortgagor fail to deposit with Mortgagee sums sufficient to fully pay such Taxes at least thirty (30) days before delinquency thereof, Mortgagee may, at Mortgagee's election, but without any obligation to do so, advance any amounts required to make up the deficiency, which advances, if any, shall constitute additional Obligations secured hereby immediately due and payable bearing interest at the Default Rate until paid, or at Mortgagee's option, Mortgagee may, without making any advance whatever, apply any sums held by it upon any Obligation secured hereby. Should any Event of Default occur or exist in the payment or performance of any of Mortgagor's or Borrowers' obligations under the terms of this Mortgage, Loan Agreement, Note, Guaranty Agreement, or any of the other Loan Document(s), Mortgagee may at any time apply any sums or amounts in its possession received pursuant to this Section 3(b) toward any Obligations in such manner and order as Mortgagee may elect. The receipt, use, or application of any such sums paid by Mortgagor or Borrowers to Mortgagee hereunder shall not be construed to affect the maturity of any of the Obligations or any of the rights or powers of Mortgagee or any of the obligations of Mortgagor or Borrowers under the terms of the Loan Agreement, Note or the other Loan Documents. Until expended or applied as above provided, any funds so deposited and held by Mortgagee may be commingled with the general funds of Mortgagee and shall constitute additional security for the Obligations.

Insurance

4. (a) Casualty. Mortgagor and Borrower shall keep the construction and improvements now existing or hereafter erected on the Premises, all property (whether real, personal or mixed) incorporated therein and all materials and supplies delivered to the Premises for use in connection with the construction and/or any improvements, together with all equipment used for that purpose, constantly insured against loss or damage under such types and forms of insurance policies and in such amounts and for such periods as Mortgagee may from time to time reasonably require, and Mortgagor shall pay promptly, when due, any premiums on such insurance. Unless Mortgagee otherwise agrees, all such insurance shall be carried with companies acceptable to Mortgagee holding a current Policyholder's Alphabetic and Financial Size Category Rating according to A.M. Best's Insurance Reports acceptable to Mortgagee at a minimum rating of at least B+, and shall have attached thereto standard noncontributing mortgage clauses in favor of Mortgagee, as well as standard waiver of subrogation endorsements. The Improvements and all such property, materials, supplies and equipment shall be insured to an amount equal to one hundred percent (100%) of the full insurable value thereof (but in no event less than actual replacement value without deduction for depreciation) at all times against loss or damage by fire, lightning, wind storm, explosion, riot and

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civil commotion, vandalism and malicious mischief, theft and such other risks as are usually included under what is now known as all risk (special coverage). Mortgagor shall not carry separate insurance, concurrent in kind or form and contributing in the event of loss, with any insurance required hereunder. In the event of a change of ownership or of occupancy of the Premises (without implying or creating any waiver of the right of approval thereof by Mortgagee), immediate notice thereof by mail shall be delivered to all insurers. In the event of any loss covered by such insurance, Mortgagor shall immediately notify Mortgagee in writing.

(b) Liability. Mortgagor shall carry and maintain in full force at all times comprehensive public liability insurance as may be required from time to time by Mortgagee in forms, amounts, and with companies satisfactory to Mortgagee, and Mortgagor will apply all insurance proceeds under such policies to the payment and discharge of the liabilities in respect of which such proceeds are collected. The amounts of coverage shall not be less than \$3,000,000 combined single limit and that the policy or policies shall name Mortgagee as an additional insured party thereunder.

(c) Flood Insurance. Mortgagor shall carry and maintain in force at all times flood insurance in accordance with the provisions of the Flood Disaster Protection Act of 1973, as amended, if the area in which the Premises are situated is designated as an "A" zone as defined in said act, in an amount not less than \$1,000,000, and Mortgagor shall comply with such other requirements of said act as are appropriate.

(d) Other Insurance. Mortgagor shall procure and maintain insurance against such other perils and risks (exclusive of the perils and risks insured against under subparagraphs 4(a), (b) and (c) above) as Mortgagee shall reasonably request from time to time. All such insurance shall be maintained under policies containing such provisions and coverages and being in such amounts as are approved by Mortgagee, which policies shall name Mortgagee as insured thereunder.

(e) Policies. Unless Mortgagee otherwise agrees, all policies of insurance required hereunder to be maintained by the Mortgagor, together with evidence that the premium therefor covering a period of not less than one (1) year has been prepaid, shall be deposited with Mortgagee. All policies of insurance required hereunder shall provide for, among other things, Mortgagee being named as loss payee thereunder, payment of losses notwithstanding any acts or omissions of Mortgagor and giving written notice to Mortgagee of their expiration or cancellation at least thirty (30) days prior to such event occurring. Not less than thirty (30) days prior to the expiration of any policy, Mortgagor shall provide to Mortgagee evidence of an appropriate renewal or replacement policy and evidence of the premium payment therefor, as aforesaid. All policies of insurance required hereunder shall contain Mortgagee's loss payable endorsements in favor of Mortgagee.

(f) Deposits. Upon the occurrence of an Event of Default under this Mortgage or under any other Loan Document, at Mortgagee's option, Mortgagor shall pay to Mortgagee on the first day of each month and in the same manner as provided under Section 3(b) with respect to Taxes, one-twelfth (1/12) of the annual insurance premium as reasonably estimated by Mortgagee.

Adjustment of Losses with Insurer and Application of Proceeds of Insurance

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5. (a) In the event of any loss or damage to any portion of the Premises by fire or other casualty, Mortgagor shall have the right, so long as no Event of Default, or any event or circumstance which with the giving of notice, the passage of time, or both, would constitute an Event of Default, exists hereunder, to settle insurance claims or agree with the insurance companies on the amount to be paid; provided that Mortgagee shall be permitted to participate in any such settlement and to hire its own adjusters to advise it in connection with any proposed settlement, and any such settlement shall be subject to Mortgagee's written approval; further provided, however, that if a settlement is not reached within a reasonable period of time (as determined by Mortgagee), then Mortgagee shall have the right, in its sole discretion, to settle such claim. In any case, Mortgagee shall have the right (but not the obligation) to collect, retain and apply to the Obligations all insurance proceeds (after deduction of all expenses of collection and settlement, including attorneys' and adjustors' fees and expenses), and if such proceeds are insufficient to pay such amount in full, to declare the balance remaining unpaid on the Obligations to be immediately due and payable and to avail themselves of any of the remedies afforded under this Mortgage, the Note, or any of the other Loan Documents as in the case of any Event of Default or default hereunder or thereunder. Any proceeds remaining after application to the Obligations shall be paid by Mortgagee to Mortgagor or any other party which may be entitled thereto.

(b) In case of loss after a foreclosure by judicial proceedings has been instituted, the proceeds of any such insurance policy or policies shall be applied in payment or reduction of the Obligations or in payment or reduction of the amount due in accordance with any order of foreclosure that may be entered in any such proceeding, and the balance, if any, shall be paid to the owner of the equity of redemption if it shall then be entitled to the same or as the court may direct. In case of the foreclosure of this Mortgage by judicial proceeding, the court in its order and upon notice to the insurer may provide that the mortgagee's clause attached to each of said insurance policies may be canceled and that the purchaser at the foreclosure sale held in accordance with such judicial proceeding may cause a new loss clause to be attached to each of said policies making the loss thereunder payable to said purchaser; and any such foreclosure order may further provide that in case of one or more redemptions under said order, pursuant to the statute in such case made and provided, then, and in every such case, each successive redelector may cause the preceding loss clause attached to each insurance policy to be canceled and new loss clause to be attached thereto, making the loss thereunder payable to such redelector. In the event of such foreclosure sale, Mortgagee is hereby authorized, without the consent of Mortgagor, to assign any and all insurance policies to the purchaser at the sale, or to take such other steps as Mortgagee may deem advisable, to cause the interest of such purchaser to be protected by any of the said insurance policies.

Stamp Tax

6. If, by the laws of the United States of America, or of any State having jurisdiction over Mortgagor, any stamp tax or similar tax is due or becomes due in respect of any of the Obligations or the recording of this Mortgage, Mortgagor covenants and agrees to pay such tax in the manner required by any such law. Mortgagor further covenants to hold harmless and agrees to indemnify Mortgagee, its successors or assigns, against any liability incurred by reason of the

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imposition of any stamp tax or similar tax on the issuance of the Obligations or the recording of this Mortgage.

Prepayment

7. Mortgagor shall have no right to prepay the Loans except as may be expressly set forth in the Loan Agreement.

Effect of Extensions of Time

8. If the payment of any of the Obligations or any part thereof is extended or varied or if any part of the security is released, all persons or entities now or at any time hereafter liable therefor, or interested in the Premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such persons being expressly reserved by Mortgagee, notwithstanding such extension, variation or release.

Effect of Changes in Laws Regarding Taxation

9. In the event of the enactment after this date of any law of the State of Illinois deducting from the value of land for the purpose of taxation any lien thereon, and imposing upon Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by 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 property, or the manner of collection of taxes so as to affect this Mortgage or the Obligations secured hereby, then, and in any such event, Mortgagor, upon demand by Mortgagee, shall pay such taxes or assessments, or reimburse Mortgagee therefor; provided, however, that if in the opinion of counsel for Mortgagee (a) it might be unlawful to require Mortgagor to make such payment; or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then, and in such event, Mortgagee may elect, by notice in writing given to Mortgagor, to declare all of the Obligations to be and become due and payable sixty (60) days from the giving of such notice.

Mortgagee's Performance of Defaulted Acts; Subrogation

10. In case of default on the part of Mortgagor under this Mortgage and the failure of Mortgagor to cure such default within the applicable cure period, if any, Mortgagee shall have the right, but not the obligation, to make any payment or perform any act herein or in or with respect to any of the Obligations required of Mortgagor, in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien on title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or contest any tax or assessment. Anything to the contrary notwithstanding, Mortgagee may immediately take action to cure any default in the payment of taxes or insurance premiums or any other defaults that create an emergency regarding the priority or validity of the lien of this Mortgage or the physical condition of the

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Premises without regard to the Mortgagor's cure rights, if any. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including, but not limited to, reasonable attorneys' fees and expenses, and any other moneys advanced by Mortgagee to protect the Premises and the lien hereof, shall be so much additional indebtedness secured hereby, and shall become immediately due and payable without notice and with interest thereon at the Default Rate as defined in Section 25 below. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor under this Mortgage. Should the proceeds of the Obligations or any part thereof, or any amount paid out or advanced hereunder by Mortgagee, be used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any lien or encumbrance upon the Premises or any part thereof on a parity with or prior or superior to the lien hereof, then as additional security hereunder, the Mortgagee shall be subrogated to any and all rights, equal or superior titles, liens and equities, owned or claimed by any owner or holder of said outstanding liens, charges and indebtedness, however remote, regardless of whether said liens, charges and indebtedness are acquired by assignment or have been released of record by the holder thereof upon payment.

Mortgagee's Reliance on Tax Bills, Etc.

11. Mortgagee in making any payment hereby authorized: (a) relating to Taxes, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; or (b) for the purchase, discharge, compromise or settlement of any Lien, may do so without inquiry as to the validity or amount of such Lien or any claim for Lien which may be asserted.

Default

12. Each and all of the following shall be a default (an "Event of Default") under this Mortgage: (a) if any payment due under or with respect to any of the Obligations, or any other payment due in accordance with the terms of this Mortgage, the Loan Agreement, Note, Guaranty Agreement, or any other Loan Document is not paid within ten (10) days after the date when due; or (b) if any other of the covenant(s), agreement(s) or condition(s), hereinbefore or hereinafter contained, required to be kept or performed or observed by Mortgagor in this Mortgage, are not observed or performed, and such nonperformance or nonobservance is not remedied by Mortgagor within thirty (30) days after written notice from Mortgagee to Mortgagor; or (c) if any representation, warranty, statement, report or certification now or hereafter made by Mortgagor is not true, correct or complete in any material respect, or is misleading in any material respect; or (d) if any Event of Default shall have occurred under the Loan Agreement or Note, or if any other default or event of default shall have occurred and be continuing under any other Loan Document, which is not cured within any applicable grace, cure or notice period; or (e) any Material Adverse Change occurs, subject to the notice and cure provision above; or (f) nonpayment by the Mortgagor of any Rate Management Obligations when due or the breach by the Mortgagor of any term, provision or condition contained in any Rate Management Agreement subject to any notice and right to cure provision therein. Any and all cure, grace or notice periods under this Mortgage shall run

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concurrently with any such periods allowed with respect to any default under any of the other Loan Documents or otherwise available to Mortgagor. As used herein, “**Material Adverse Change**” means any material adverse change in the condition of the Mortgagor or the Premises not provided for hereunder or under the other Loan Documents that Mortgagee believe is likely to: (i) prevent timely repayment of the Loans; or (ii) have a material adverse effect on the financial conditions of Mortgagor as determined by Mortgagee in its reasonable judgment.

Foreclosure; Expense of Litigation; Protective Advances

13. When an Event of Default shall have occurred (whether listed in Section 12 or described elsewhere in this Mortgage) and remain uncured, Mortgagee shall have the right to accelerate the maturity of all of the Obligations and when the indebtedness secured hereby or any part thereof shall become due, whether by lapse of time, acceleration or otherwise, then Mortgagee shall have the right to foreclose the lien hereof by judicial action. In any suit to foreclose the lien hereof or in any other action to enforce any other remedy of Mortgagee under this Mortgage or with respect to any of the other Obligations, there shall be allowed and included as additional indebtedness in the decree for sale, judgment of foreclosure or other judgment or decree all reasonable expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys, appraisers, consultants and contractors, outlays related to compliance with “Environmental Laws” (as defined in certain Loan Documents), 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 and value as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale 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 but not limited to the fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Obligations or the Premises, including, without limitation, bankruptcy proceedings, or in the preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon from the date incurred at the Default Rate (as defined in Section 25 hereof), and shall be secured by this Mortgage.

Without limitation on the foregoing, all advances, disbursements and expenditures made by Mortgagee before and during a foreclosure, and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by this Mortgage or by the Illinois Mortgage Foreclosure Act, 735 ILCS 5/15-1101 *et seq.* (“**Act**”), shall have the benefit of all applicable provisions of the Act, including those provisions of the Act hereinafter referred to (collectively, “Protective Advances”):

- (a) all advances by Mortgagee in accordance with the terms of this Mortgage to:
 - (i) construct, build, preserve, maintain, repair, restore or rebuild the construction or

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improvements upon the Premises; (ii) preserve the lien of this Mortgage or the priority thereof; or (iii) enforce this Mortgage, as referred to in Subsection (b)(5) of Section 15-1302 of the Act;

(b) payments by Mortgagee of: (i) when due installments of principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrance; (ii) when due installments of real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Premises or any part thereof; (iii) other obligations authorized by this Mortgage; or (iv) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 15-1505 of the Act;

(c) advances by Mortgagee in settlement or compromise of any claims asserted by claimants under senior mortgages or any other prior liens;

(d) attorneys' fees and other expenses incurred: (i) in connection with the foreclosure of this Mortgage as referred to in Sections 15-1504(d)(2) and 15-1510 of the Act; (ii) in connection with any action, suit or proceeding brought by or against the Mortgagee for the enforcement of this Mortgage or arising from the interest of the Mortgagee hereunder; or (iii) in the preparation for the commencement or defense of any such foreclosure or other action;

(e) Mortgagee's fees and costs, including attorneys' fees, arising between the entry of judgment of foreclosure and confirmation hearing as referred to in Subsection (b)(1) of Section 15-1508 of the Act;

(f) expenses deductible from proceeds of sale as referred to in subsections (a) and (b) of Section 15-1512 of the Act;

(g) expenses incurred and expenditures made by Mortgagee for any one or more of the following: (i) if all or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof; (ii) if any interest in the Premises is a leasehold estate under a lease or sublease, rentals or other payments required to be made by the lessee under the terms of the lease or sublease; (iii) premiums for casualty and liability insurance paid by Mortgagee whether or not Mortgagee or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or mortgagee takes possession of the Premises imposed by subsection (c)(1) of Section 15-1704 of the Act; (iv) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (v) payments required or deemed by Mortgagee to be for the benefit of the Premises or required to be made by the owner of the Premises under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions

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for the benefit of or affecting the Premises; (vi) shared or common expense assessments payable to any association or corporation in which the owner of the Premises is a member if any way affecting the Premises; (vii) if the loan secured hereby is a construction loan, costs incurred by Mortgagee for demolition, preparation for and completion of construction, as may be authorized by the Loan Agreement; and (viii) pursuant to any lease or other agreement for occupancy of the Premises.

All Protective Advances shall be so much additional indebtedness secured by this Mortgage, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the Default Rate set forth in Section 25 below. This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to subsection (b)(1) of Section 15-1302 of the Act. All Protective Advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in: (i) determination of the amount of indebtedness secured by this Mortgage at any time; (ii) the indebtedness found due and owing to the Mortgagee in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or findings by the court of any additional indebtedness becoming due after such entry of judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose; (iii) if right of redemption is deemed not to be waived by this Mortgage, computation of amount required to redeem, pursuant to subsections (d)(2) and (e) of Section 15-1603 of the Act; (iv) determination of amounts deductible from sale proceeds pursuant to Section 15-1512 of the Act; (v) application of income in the hands of any receiver or Mortgagee in possession; and (vi) computation of any deficiency judgment pursuant to subsections (b)(2) and (e) of Sections 15-1508 and Section 15-1511 of the Act.

Upon any sale made under or by virtue of this Section or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Mortgagee may bid for and acquire the Premises or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the indebtedness of Mortgagor secured by this Mortgage the sale price, after deducting therefrom the expenses of the sale and the cost of the action and any other sums which Mortgagor is required to pay or that Mortgagee is authorized to deduct under this Mortgage.

Mortgagor understands and agrees that in the event of an Event of Default, Mortgagee, to the extent this Mortgage constitutes a security agreement under the UCC, may exercise any and all rights and remedies of a secured party under the UCC including but not limited to the taking possession of any personal property covered by this Mortgage and disposing of the same by sale or otherwise; provided that at least ten (10) days' prior notice of such disposition must be given to the Mortgagor, all as provided for by the UCC, it being agreed that such ten (10) days' notice shall constitute fair and reasonable notice to Mortgagor of such disposition.

To the extent not otherwise inconsistent with the terms of this Mortgage, the Loan Agreement or any other Loan Documents, Mortgagee shall also have the benefit of the applicable provisions of the Act.

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Application of Proceeds of Foreclosure Sale

14. The proceeds of any foreclosure sale of the Premises (or the sale of property under the last unnumbered paragraph of Section 13 hereof) 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 sale, as the case may be), including all such items as are mentioned in the preceding Section hereof; second, to the repayment of the Obligations and all other items which under the terms hereof constitute secured indebtedness additional to that constituting the Obligations, with interest thereon as herein provided; and third, any overage to Mortgagor, its successors or assigns, as their rights may appear or as a court may direct.

Appointment of Receiver

15. Upon, or at any time after, the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed shall, if requested to do so by the Mortgagee, appoint a receiver of the Premises. To the extent permitted by law, Mortgagee shall also be entitled to the appointment of a receiver of the Premises prior to the filing of any such foreclosure complaint, upon or at any time after the occurrence of an Event of Default. Any appointment of a receiver may be made either before or after sale, without notice if permitted by law, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Premises, and Mortgagee hereunder may be appointed as such receiver. Such receiver shall have power: (a) to collect the rents, issues, and profits of the Premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits; (b) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder 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 Mortgagor and all persons whose interests in the Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from any judgment or decree of foreclosure, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; and (c) 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 to: (x) the Obligations 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 any foreclosure sale; and (y) the deficiency in case of a sale and deficiency.

Assignment of Rents and Leases

16. To further secure the Obligations, Mortgagor hereby sells, assigns and transfers unto

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Mortgagee all Leases for or with respect to the Premises and all the Rents now due and which may hereafter become due (whether before or after foreclosure or during the period of redemption and whether before or after the filing of any petition by or against Mortgagor under the Bankruptcy Code, 11 U.S.C. '1101 *et seq.*, or any other Federal or State bankruptcy, insolvency, receivership or similar law) under or by virtue of, and to the extent payable pursuant to, any Lease, whether written or verbal, which may have been heretofore or may be hereafter made or agreed to or which may be made or agreed to by Mortgagee under the powers herein granted, it being the intention hereby to establish an absolute transfer and assignment of all such Leases and all the Rents and other avails thereunder to Mortgagee. Mortgagor, from and during the occurrence of an Event of Default, hereby irrevocably appoints Mortgagee (which appointment is irrevocable until termination of this Mortgage and coupled with an interest) its true and lawful attorney in its name and stead (with or without taking possession of the Premises as provided in Section 17 hereof) to rent, lease or let all or any portion of the Premises to any party or parties at such rental and upon such terms as Mortgagee shall, in its discretion, determine, and to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter, and all now due or that may hereafter become due under each and every of the Leases, written or verbal, or other tenancy existing, or which may hereafter exist on the Premises, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as Mortgagee would have upon taking possession pursuant to the provisions of Section 17 hereof.

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Except as may be provided under the applicable Lease to the contrary (in which instance Mortgagee's consent shall not be required), Mortgagor agrees that, without the consent of Mortgagee: (a) no rent will hereafter be paid by any person in possession of any portion of the Premises for more than one (1) month in advance; and (b) the payment of the rents to accrue for any portion of the Premises will not be waived, released, reduced, discounted or otherwise discharged or compromised by Mortgagor. Mortgagor agrees that hereafter it will not assign any of the rents or profits of the Premises, except to a purchaser or grantee of the Premises permitted under the provisions of this Mortgage.

Nothing herein contained shall be construed as constituting Mortgagee a mortgagee in possession of the Premises in the absence of the taking of actual possession of the Premises by Mortgagee pursuant to Section 17 hereof. In the exercise of the powers herein granted Mortgagee, no liability shall be asserted or enforced against Mortgagee, all such liability being expressly waived and released by Mortgagor, except for such liability, if any, as may be expressly imposed on Mortgagee under the Act.

Mortgagor further agrees to assign and transfer to Mortgagee all future leases upon all or any part of the Premises and to execute and deliver, at the request of Mortgagee, all such further assurances and assignments in the Premises as Mortgagee shall from time to time reasonably require.

Although it is the intention of the parties that the assignment contained in this Section 16 shall be a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that Mortgagee shall not exercise any of the rights or powers conferred upon it by this Section until an Event of Default occurs. The rights of Mortgagee under this Section 16 shall continue and remain in full force and effect both before and after commencement of any action or proceeding to foreclose this Mortgage, after the foreclosure sale in connection with the foreclosure of this Mortgage, and until expiration of the period of redemption from any such foreclosure sale.

Mortgagee's Right of Possession in Case of Event of Default

17. In any case in which under the provisions of this Mortgage, Mortgagee has a right to foreclose the lien hereof, Mortgagor shall, forthwith, upon demand by Mortgagee, surrender to Mortgagee, and Mortgagee shall be entitled, to the fullest extent permitted by law, to take actual possession of, the Premises or any part thereof personally or by its agents or attorneys. In such event, Mortgagee in its discretion may, in accordance with law, enter upon and take and maintain possession of all or any part of the Premises together with all documents, books, records, papers and accruals of Mortgagor or the then owner of the Premises relating thereto and may exclude Mortgagor its agents or servants wholly therefrom and may, as attorney-in-fact, as agent for Mortgagor or in its own name as Mortgagee, and under the powers herein granted, hold, operate, manage and control the Premises and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the Premises, including actions for the recovery of Rents, actions

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in forcible detainer and actions in distress for rent, and with full power: (a) to cancel or terminate any lease for any cause or on any ground which would entitle Mortgagor to cancel the same; (b) subject to the terms of any subordination, non-disturbance and attornment agreement agreed to by Mortgagee, to elect to disaffirm any lease which is then subordinate to the lien hereof; (c) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new Leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder 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 Mortgagor and all persons whose interests in the Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; (d) to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Premises as to it may seem judicious; (e) to insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof; and (f) to receive all of such avails, rents, issues and profits; Mortgagor hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without notice to Mortgagor. Without limitation on the foregoing, in addition to any rights granted Mortgagee hereunder or under applicable law, Mortgagee shall have all powers, rights and duties as provided for in Sections 15-1701, 15-1702 and 15-1703 of the Act.

From and after an Event of Default, Mortgagor shall be deemed to have constituted and appointed Mortgagee its true and lawful attorney-in-fact (which appointment is irrevocable until termination of this Mortgage and coupled with an interest) with full power of substitution either in the name of Mortgagee or Mortgagor, to exercise any of the powers granted to Mortgagee pursuant to this Section 17. Mortgagee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any Leases. Mortgagor shall and does hereby agree to indemnify and hold Mortgagee harmless of and from any and all liability, loss or damage (except for any such liability, loss or damage which may be caused by the willful misconduct or gross negligence of Mortgagee) which Mortgagee may or might incur by reason of its performance of any action authorized under this Section 17 and of and from any and all claims and demands whatsoever (except for any such liability, loss or damage which may be caused by the willful misconduct or gross negligence of Mortgagee) which may be asserted against Mortgagee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements of Mortgagor.

Application of Income Received by Mortgagee

18. Mortgagee, in the exercise of the rights and powers hereinabove conferred upon it by Section 16 and Section 17 hereof, shall have full power to use and apply the avails, rents, issues and profits of the Premises to the payment of or on account of the following, in such order as Mortgagee may determine:

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(a) to the payment of any Obligations secured hereby or any deficiency which may result from any foreclosure sale;

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

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

(d) to the payment of the operating expenses of the Premises, including but not limited to the cost of the management and leasing thereof, judgments, claims for damages, if any, and premiums on insurance hereinabove authorized.

Mortgagee's Right of Inspection

19. Mortgagee, personally or through its agents, contractors or consultants, shall have the right to inspect the Premises upon reasonable notice (except in cases of emergency or abandonment) and at all reasonable times and access thereto shall be permitted for that purpose, including, without limitation, to ascertain whether the Premises comply with applicable Environmental Laws.

Condemnation

20. Mortgagor hereby assigns, transfers and sets over unto Mortgagee the entire proceeds of any award or any claim for damages for any of the Premises (or any interest therein) taken or damaged by the power of eminent domain or by condemnation. Mortgagee shall be entitled (but shall not be obligated) to participate in the collection of such proceeds and any such proceeds shall be first applied to reimburse Mortgagee for all costs and expenses, including, but not limited to, reasonable attorneys' fees and expenses, incurred in connection with the collection of such proceeds. The remainder of any such award shall be applied in accordance with Section 5 above.

Release upon Payment and Discharge of Mortgagor's Obligations

21. Notwithstanding anything to the contrary contained in this Mortgage, if Borrowers shall fully pay and satisfy all of the indebtedness secured hereby and fully comply with, satisfy and discharge all of the other terms and provisions hereof and all other Obligations to be paid, satisfied, performed and complied with by Mortgagor, then, upon Mortgagor's request, Mortgagee shall promptly execute and deliver to Mortgagor a release of this Mortgage in recordable form, which release shall not be construed so as to release, waive or modify any provision under the Loan Documents which by its terms would survive such event.

Notices

22. Any notice, demand, request or other communication under this Mortgage or which

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either party hereto may desire or be required to give to the other party shall be in writing: (i) delivered in person; (ii) mailed, postage prepaid, either by registered or certified mail, return receipt requested, or (iii) by overnight express carrier, addressed in each case as follows:

To Mortgagee: Barrington Bank & Trust Company, N.A.
Attn: Jon Mariano, Commercial Loan Officer
201 South Hough Street
Barrington, Illinois 60010

With copy to: Lavelle Law, Ltd.
Attn: Kerry M. Lavelle, Esq.
501 West Colfax Street
Palatine, Illinois 60067

To Mortgagor: Harris, N.A., as Trustee
201 South Grove Avenue
Barrington, Illinois 60010

With copy to: Fuller & Berres
Attn: Warren Fuller
69 S. Barrington Road
South Barrington, Illinois 60010

Waiver of Defense; Remedies Not Exclusive; Time is of the Essence

23. No action for the enforcement of the lien 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 or in equity upon the Obligations. Mortgagee shall be entitled to enforce payment and performance of any indebtedness secured hereby and to exercise all rights and powers under this Mortgage or under or with respect to any other Obligations or any laws now or hereafter in force, notwithstanding that some or all of the 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 Mortgagee's right to realize upon or enforce any other security, Loan Documents or Obligations now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other remedy herein or by the other Loan Documents or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy under the other Loan Documents or other remedy given hereunder or now or hereafter existing under the other Loan Documents or at law or in equity or by statute. Every power or remedy given hereby to 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 Mortgagee, and Mortgagee may pursue inconsistent remedies. No waiver of any Event of Default shall be implied from any omission by the Mortgagee to take any action on account of such default if such default persists or be repeated, and no express waiver shall affect any such default other than

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the default specified in the express waiver and that only for the time and to the extent therein stated. No acceptance of any payment of any one or more delinquent installments which does not include interest at the Default Rate from the date of delinquency, together with any required late charge, shall constitute a waiver of the right of Mortgagee at any time thereafter to demand and collect payment of interest at such Default Rate or of late charges, if any. Time is of the essence of this Mortgage and each of the covenants and provisions hereof.

Filing and Recording Fees

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

Default Rate

25. "Default Rate" as used herein shall mean the rate of interest set forth in the Loan Agreement and Note executed contemporaneously herewith.

Binding on Successors and Assigns

26. This Mortgage and all provisions hereof shall be binding upon Mortgagor and all persons claiming under or through Mortgagor and shall inure to the benefit of Mortgagee and its successors and assigns.

Definitions of "Mortgagor" and "Mortgagee"

27. The word "Mortgagor" when used herein shall include: (a) the original Mortgagor named in the preambles hereof; (b) said original Mortgagor's successors and assigns; and (c) all owners from time to time of the Premises. The word "Mortgagee" when used herein shall include all successors and assigns of the Mortgagee identified in the preambles hereof. As used in this Mortgage, the terms "Mortgagor" and "Mortgagee" and any pronouns used to refer to Mortgagor or Mortgagee shall, as the context requires, include the singular and plural, and the masculine, feminine and neuter.

Captions

28. The captions and headings of various paragraphs and sections of this Mortgage are for convenience only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

Business Loan Recital/Statutory Exemptions

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29. (a) Mortgagor acknowledges and agrees that (i) the Obligations secured hereby constitute a business loan which comes within the purview of Section 4 of the Interest Act (815 ILCS 205/0.01 *et seq.*) and (ii) that the Obligations are exempted transactions under the Truth-in-Lending Act, 15 U.S.C. Sec. 1601 *et seq.*

(b) Mortgagor acknowledges and agrees that the transaction of which this Mortgage is a part is a transaction which does not include either agricultural real estate (as defined in Section 15-1201 of the Act) or residential real estate (as defined in Section 15-1219 of the Act).

Waiver of Statutory Rights

30. To the fullest extent permitted under applicable law, 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 hereby waives the benefit of such laws. Mortgagor for itself and all who may claim by, through or under it waives any and all right to have the property and estates comprising the Premises marshaled 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. Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on its behalf and on behalf of each and every person acquiring any interest in or title to the Premises subsequent to the date of this Mortgage. The foregoing waiver of the right of redemption is made pursuant to Section 15-1601 of the Act.

Partial Invalidity; Usury

31. (a) Whenever possible, each provision in this Mortgage shall be interpreted in such manner as to comport with all applicable local, State and Federal laws and judicial decisions. However, if any provision or provisions, or if any portion of any provision or provisions, in this Mortgage are found by a court of law to be in violation of any applicable local, State or Federal ordinance, statute, law, administrative or judicial decisions, or public policy, and if such court should declare such portion, provision or provisions of this Mortgage to be illegal, invalid, unlawful, void or unenforceable as written, then it is the intent both of Mortgagor and Mortgagee that such portion, provision or provisions shall be given force to the fullest possible extent that it or they are legal, valid and enforceable, that the remainder of this Mortgage shall be construed as if such illegal, invalid, unlawful, void or unenforceable portion, provision or provisions were not contained therein, and that the respective rights, obligations and interest of Mortgagor and Mortgagee under the remainder of this Mortgage shall continue in full force and effect.

(b) All agreements between Mortgagor and Mortgagee under this Mortgage and Loan Agreement; and Mortgagee (as Lender) and Borrower under the Note and the other Loan Documents are expressly limited so that in no event whatsoever shall the amount paid or agreed to be paid to Mortgagee exceed the highest lawful rate of interest permissible under the laws of the State of Illinois. If, from any circumstances whatsoever, fulfillment of any provision hereof at the time performance of such provision shall be due, shall involve exceeding the limit of validity prescribed

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by law which a court of competent jurisdiction may deem applicable hereto, then *ipso facto*, the obligation to be fulfilled shall be reduced to the highest lawful rate of interest permissible under the laws of the State of Illinois, and if for any reason whatsoever, Mortgagee shall ever receive as interest an amount which would be deemed unlawful, such interest shall be applied to the payment of the next maturing installment or installments of the principal balance of the indebtedness secured hereby (whether or not due and payable) and not to the payment of interest.

Loan Agreement, Promissory Note, Guaranty Agreement, and Other Loan Documents

32. The Loan Agreement, Note, Guaranty Agreement, and the other Loan Documents and all provisions thereof are incorporated herein by express reference. Any and all indebtedness arising and accruing under the Loan Agreement and the other Loan Documents from time to time shall be secured hereby to the full extent of the amount stated to be secured hereby and according to law. Whenever possible, each provision in the Mortgage shall be interpreted in such manner as to be consistent with the provisions of the Loan Agreement, Note, Guaranty Agreement, and the other Loan Documents and no conflict or inconsistency shall be deemed to exist simply because one document contains more extensive grants, restrictions or requirements than the other. In the event of any conflict or inconsistency between the provisions of this Mortgage and the provisions of the Loan Agreement, the provisions of the Loan Agreement shall govern and control to the extent of any such conflict or inconsistency.

Mortgagee's Lien for Service Charge and Expenses

33. At all times and from time to time, this Mortgage secures (in addition to any proceeds disbursed from time to time) the payment of any and all expenses and advances due to or incurred by Mortgagor and/or Borrower in connection with this Mortgage, the Obligations to be secured hereby and which are to be reimbursed by Mortgagor under the terms of this Mortgage, Loan Agreement, the Note, Guaranty Agreement, and any other Loan Document.

Restrictions on Transfer

34. The occurrence of any of the following events, without the prior written consent of Mortgagee, shall also constitute an Event of Default under this Mortgage:

(a) any sale, assignment, transfer, conveyance, pledge, hypothecation, mortgage, lease or other encumbrance of the Premises or any portion thereof, or any beneficial interest therein, or any buildings, structures or other improvements thereon;

(b) except as provided under the Loan Agreement, any sale, assignment, transfer, conveyance, pledge (including, without limitation, any pledge of profits or other economic rights), hypothecation, mortgage or encumbrance of, or change in control, management, capital structure or ownership interest in, Mortgagor; and

(c) any contract to effectuate any of the foregoing transactions in (a) or (b) above,

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provided that Mortgagor may enter into a contract to effectuate any such transaction so long as the Loans are paid in full and all other obligations owing under this Mortgage and each of the other Loan Documents are satisfied prior to or simultaneously with the consummation of such transaction.

Consent by Mortgagee to any transaction described in this Section shall not operate to relieve Mortgagor from any covenant or obligation under this Mortgage except to the extent, if any, expressly provided for in writing in such consent, or be deemed to be a consent to or relieve Mortgagor from obtaining Mortgagee's consent to any subsequent transaction described in this Section.

Applicable Law

35. This Mortgage and all other Loan Documents shall be construed, interpreted and governed by the internal laws of the State of Illinois (without giving effect to Illinois choice of law principles).

No Offsets

36. No right of offset or claim that Mortgagor now has or may have in the future against Mortgagee shall relieve Mortgagor from paying any amounts due under or with respect to the Obligations or from performing any other duties contained herein or secured hereby.

Future Advances

37. This Mortgage also secures any and all future obligations and indebtedness arising under or in connection with the Loan Agreement, this Mortgage and any of the other Loan Documents, which future obligations and indebtedness shall have the same priority as if all such future obligations and indebtedness were made on the date of execution hereof. Nothing in this Section, Section 39 or in any other provision of this Mortgage shall be deemed either (a) an obligation on the part of Mortgagee to make any future advances of any sort other than as expressly set forth in the Loan Agreement or (b) an agreement on the part of Mortgagee to increase the amount of the Loans. Without limitation of the foregoing, this Mortgage secures such future advances, whether such advances are obligatory or to be made at the option of Mortgagee, or otherwise, as are made within twenty years from the date thereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage, and although there may be no indebtedness outstanding at the time any advance is made.

Maximum Amount of Indebtedness Secured

38. The maximum aggregate amount of principal, interest and other indebtedness (now or hereafter owed) secured by this Mortgage is TEN MILLION DOLLARS AND NO/100 CENTS (\$10,000,000.00).

Mortgagee Not a Joint Venturer

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39. Mortgagee by entering into this Mortgage or any of the other Loan Documents, or by any action taken pursuant thereto, will not be deemed a partner or joint venturer with Mortgagor.

Mortgagee's Duties

40. The powers conferred on Mortgagee hereunder are solely to protect its interest in the Premises and shall not impose any duty upon it to exercise any such powers. Mortgagee shall have no duty as to any Premises or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Premises.

Further Assurances

41. Mortgagor agrees, at its expense, forthwith on demand to execute, acknowledge, deliver and cause to be duly filed all such further instruments and documents and take all such actions as Mortgagee may from time to time reasonably request for the better assuring and preserving of the security interests and the rights and remedies created hereby, including, without limitation, the payment of any fees and taxes required in connection with the execution and delivery of this Mortgage, the granting of the security interests created hereby and the filing of any financing statements or other documents in connection herewith.

Construction Mortgage

42. Mortgagor further covenants and agrees that this is a construction mortgage, the Loan is a construction loans and:

- (a) the construction shall be completed in accordance with the plans and specifications to be furnished to and approved by Lender in accordance with the Loan Agreement;
- (b) the construction shall be completed within the time required under the Loan Agreement;
- (c) upon Mortgagor's failure to comply with any of the covenants in (a) or (b) hereunder or upon the occurrence of any Default, Lender may (but need not):
 - (i) declare the principal indebtedness and interest thereon due and payable; and
 - (ii) complete the construction, alteration, or remodeling of the Improvements and enter into the necessary contracts therefor. All money expended shall be so much additional indebtedness secured by this Mortgage and any monies expended in excess of the Note shall be payable on demand with interest at the Default Rate.

Lender may exercise either or both of said remedies, as well as any other right or remedy available to Mortgage under this Mortgage and any of the other Loan Documents or at law or in equity;

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(d) the proceeds of the Loan secured by this Mortgage will be disbursed to Mortgagor strictly in accordance with the provisions of the Loan Agreement. All advances and indebtedness arising and accruing under the Loan Agreement from time to time whether or not the total amount thereof may exceed the face amount of the Note, shall be secured hereby to the same extent as though said Loan Agreement were fully incorporated in this Mortgage.

General Provisions.

43. (a) **Best Knowledge Standard.** Except as expressly set forth herein, the terms “to the best knowledge” and “Mortgagor knows” as used herein, or any similar phrase, shall be deemed to mean actual knowledge and include the assurance that such knowledge is based upon a diligent investigation or inquiry.

(b) **Definitions Included in Amendment.** Definitions contained in this Mortgage which identify documents, including the Loan Documents, shall be deemed to include all amendments and supplements to such documents from the date hereof, and all future amendments and supplements thereto entered into from time to time to satisfy the requirements of this Mortgage or otherwise with the consent of Mortgagee. Reference to this Mortgage contained in any of the foregoing documents shall be deemed to include all amendments and supplements to this Mortgage.

(c) **Assignment.** Mortgagee shall have the right to assign, transfer, sell, participate, negotiate, pledge or otherwise hypothecate the Loan and any of its rights and security hereunder, including the Loan Agreement, Note, Mortgage, Guaranty Agreement and any other Loan Documents.

(d) **Costs, Expenses and Fees.** Mortgagor agrees to pay on demand all costs and expenses in connection with the preparation, execution, delivery, administration, modification and amendment of this Mortgage and the Loan Documents, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Mortgagee.

(e) **Indemnification.** To the fullest extent permitted by law, Mortgagor hereby agrees to protect, indemnify, defend and save harmless, Mortgagee and its directors, shareholders, officers, attorneys, agents and employees from and against any and all liability, expense or damage of any kind or nature and from any suits, claims, or demands, including legal fees and expenses on account of any matter or thing or action or failure to act by Mortgagor, whether in suit or not, arising out of this Mortgage or in connection herewith, including damages arising out of the reach of any representation or warranty. This indemnification shall survive the termination of this Mortgage and the release of any liens granted under any of the Loan Documents.

(f) **Trustee Exculpation.** This Mortgage is executed by Trustee, not personally but solely as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee, and it is expressly understood and agreed that nothing in this Mortgage shall be construed as creating any liability on such Trustee personally to perform any express or implied

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covenant, condition, or obligation under the Guaranty, Note, or other Loan Documents. Notwithstanding the foregoing, the Lender shall not be precluded from: (a) recovering any condemnation awards or insurance proceeds attributable to the Premises; (b) recovering any tenant security deposits, advanced or prepaid rents; or (c) enforcing the personal liability of the Guarantors, or of the payments under the Note and performance under the Loan Documents.

(g) Waiver of Jury Trial. MORTGAGOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS MORTGAGE, THE NOTE OR ANY OTHER LOAN DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF MORTGAGEE OR MORTGAGOR. THIS PROVISION IS A MATERIAL INDUCEMENT FOR MORTGAGEE ACCEPTING THIS MORTGAGE AND EACH LOAN DOCUMENT, AND THIS WAIVER SHALL BE EFFECTIVE AS TO EACH OF THE LOAN DOCUMENTS AS IF FULLY INCORPORATED THEREIN. MORTGAGOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO CLAIM OR RECOVER ANY SPECIAL EXEMPLARY PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN ACTUAL DAMAGES.

IN WITNESS WHEREOF, Mortgagor has caused these presents to be signed by duly authorized officers as of the day and year first above written.

SEE EXCULPATORY RIDER ATTACHED
HEREIN AND MADE A PART HEREOF

MORTGAGOR:

HARRIS, N.A., a national banking association, as Trustee of Trust Agreement dated November 1, 2007, and known as Trust Number HLB 1948 AND NOT PERSONALLY

By: Mary M. Bray
By: Mary M. Bray Trust Officer
ITEST: Cheryl C. Hinkens
ITEST: Cheryl C. Hinkens
Cheryl C. Hinkens
Land Trust Officer

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EXCULPATORY RIDER

This instrument is executed by the Harris, N.A., as Trustee under the provisions of a Trust Agreement dated 11/1/07, and known as Trust no. **HTB 1948**, not personally, but solely as Trustee aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee. This instrument is executed and delivered by the Trust solely in the exercise of the powers expressly conferred upon the Trustee under the Trust and upon the written direction of the beneficiaries and/or holders of the power of direction of said Trust and Harris, N.A. warrants that it possesses full power and authority to execute this instrument. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, warranties, covenants, undertakings and agreements herein made on the part of the trustee while in form purporting to be the said representations, warranties, covenants, undertakings and agreements of said Trustee are each and every one of them not made with the intention of binding Harris, N.A. in its individual capacity, but are made and intended solely for the purpose of binding only that portion of the Trust property specifically described herein. No personal liability or personal responsibility is assumed by or nor shall at any time be asserted or enforceable against the Harris, N.A. on account of any representations, Warranties, (including but not limited to any representations and/or warranties in regards to potential and/or existent Hazardous Waste) covenants, undertakings and agreements contained in the instrument, (including but not limited to any indebtedness accruing plus interest hereunder) either express or implied or arising in any way out of the transaction in connection with which this instrument is executed, all such personal liability or responsibility, if any, being expressly waived and released, and any liability (including any and all liability for any violation under the Federal and/or State Environmental or Hazardous Waste laws) hereunder being specifically limited to the Trust assets, if any, securing this instrument. Any provision of this instrument referring to a right of any person to be indemnified or held harmless, or reimbursed by the Trustee for any costs, claims, losses, fines, penalties, damages, costs of any nature including attorney's fees and expenses, arising in any way out of the execution of this instrument or in connection thereto are expressly waived and released by all parties to and parties claiming, under this instrument. Any person claiming or any provision of this instrument referring to a right to be held harmless, indemnified or reimbursed for any and all costs, losses and expenses of any nature, in connection with the execution of this instrument, shall be construed as only a right of redemption out of the assets of the Trust. Notwithstanding anything in this instrument contained, in the event of any conflict between the body of this exoneration and the body of this instrument, the provisions of this paragraph shall control. Trustee being fully exempted, nothing herein contained shall limit the right of any party to enforce the personal liability of any other party to this instrument.

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

Cheryl C. Hinkens
Land Trust Officer

I, THE UNDERSIGNED, a Notary Public in and for said County, in the State aforesaid, DO
HEREBY CERTIFY that Mary M. Bray, Trust Officer AND, an authorized representative of Harris, N.A.,
a national banking association, personally known to me to be the same person whose name is
subscribed to the foregoing instrument as such TRUST OFFICER, appeared before me this
day in person and acknowledged that he signed and delivered said instrument as such TRUST OFFICER of
said company, as his own free and voluntary act and as the free and voluntary act of said company,
for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 15TH day of November, 2007.



[Signature]
NOTARY PUBLIC

My Commission Expires:
08/18/09

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EXHIBIT A

Legal Description

PARCEL 1:

THAT PART OF THE FOLLOWING DESCRIBED TRACT OF LAND WHICH LIES SOUTH OF A LINE DRAWN AT RIGHT ANGLES TO THE EAST LINE OF BLOCK 1, AT A POINT WHICH IS 390.00 FEET NORTH OF THE SOUTHEAST CORNER OF BLOCK 1, HEREINAFTER DESCRIBED TO WIT: LOTS 1 TO 44 BOTH INCLUSIVE AND VACATED ALLEYS TAKEN AS A TRACT, EXCEPT THEREFROM THAT PART DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID BLOCK 1; THENCE WEST ON THE SOUTH LINE OF SAID BLOCK 1, 39 FEET, THENCE NORTHWESTERLY ON THE SOUTHWESTERLY LINE OF SAID BLOCK 1, 110 FEET, THENCE NORTHEASTERLY ON A LINE MEASURED AT RIGHT ANGLES TO SAID SOUTHWESTERLY LINE OF SAID BLOCK 1, 155.67 FEET; THENCE EAST ON A LINE MEASURED AT RIGHT ANGLES TO THE EAST OF SAID BLOCK 1, 58.43 FEET TO A POINT ON THE EAST LINE OF SAID BLOCK 1, 190 FEET NORTH OF THE POINT OF BEGINNING, THENCE SOUTH ON SAID EAST LINE OF BLOCK 1, 190 FEET TO THE POINT OF BEGINNING, IN BLOCK 1 IN THE SUBDIVISION BY PARSONS AND BARRETT OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE SOUTH 61 FEET OF THE EAST 163 FEET, 10 INCHES OF THAT PART OF LOTS 1 TO 44 BOTH INCLUSIVE AND VACATED ALLEYS TAKEN AS A TRACT IN BLOCK 1 IN THE SUBDIVISION BY PARSONS AND BARRETT OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, WHICH LIES NORTH OF A LINE DRAWN AT RIGHT ANGLES TO THE EAST LINE OF SAID BLOCK 1 AT A POINT WHICH IS 390 FEET NORTH OF THE SOUTH CORNER OF BLOCK 1, IN COOK COUNTY, ILLINOIS.

PIN: (Parcel 1) 16-03-212-006-0000

(Parcel 2) 16-03-212-008-0000

ADDRESS: 4014 West Grand Avenue, Chicago, Illinois 60651