

MORTGAGE, ASSIGNMENT OF RENTS AND LEASES, AND SECURITY AGREEMENT



THIS MORTGAGE, ASSIGNMENT OF RENTS AND LEASES, AND SECURITY AGREEMENT ("**Mortgagor**") made as of this 24th day of November, 1998 from RAVENSWOOD HOSPITAL MEDICAL CENTER, an Illinois not-for-profit corporation, ("**Mortgagor**"), to ADVOCATE HEALTH AND HOSPITALS CORPORATION, an Illinois not-for-profit corporation ("**Mortgagee**").

WITNESSETH that in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Mortgagor, Mortgagor does hereby pledge, assign, mortgage, warrant, convey and grant unto Mortgagee, and Mortgagee's successors and assigns, forever, the following described Real Estate (as hereinafter defined) properties, rights, interest and privileges and all of Mortgagor's estate, right, title and interest therein and thereunder hereinafter (collectively "**Mortgaged Premises**"):

GRANTING CLAUSE FIRST - THE REAL ESTATE

The premises, real estate, and/or interests therein (collectively "**Real Estate**") described on Exhibit A attached hereto and made a part hereof and commonly known as RAVENSWOOD HOSPITAL MEDICAL CENTER, 4550 N. Winchester, Chicago, Illinois.

Permanent Index Numbers:

- 14-18-213-001, 14-18-213-002, 14-18-213-003, 14-18-213-004, 14-18-213-005,
- 14-18-213-006, 14-18-213-007, 14-18-212-004, 14-18-212-005, 14-18-212-006,
- 14-18-212-07, 14-18-212-008, 14-18-212-009, 14-18-212-010, 14-18-212-011,
- 14-18-212-012, 14-18-212-014, 14-18-212-003, 14-18-212-013,
- 14-18-212-025, 14-18-212-026.

TOGETHER with all and singular the easements, rights-of-way, licenses, privileges, and appurtenances thereunto belonging, and all the rents, issues and profits therefrom; and, also, all the estate, right, title, and interest of Mortgagor, either at law or in equity, of, in and to the Mortgaged Premises herein described, and every part thereof;

TOGETHER with all right, title and interest, if any, of Mortgagor, in and to the land lying within any street or roadway adjoining the Real Estate;

TOGETHER with all buildings, structures, and improvements now or hereafter erected thereon and, also all fixtures and other machinery, equipment and apparatus affixed to said buildings, structures and improvements, now or hereafter located in or upon or affixed to the Real Estate, or any part thereof, and used or usable in connection with any present or future operation of the Real Estate or improvements thereon, and now owned or hereafter acquired by Mortgagor,

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including, but without limitation of the generality of the foregoing, all heating, lighting, refrigerating, ventilating, airconditioning, aircooling, lifting, fire extinguishing, plumbing, cleaning, communications, and power equipment and apparatus; all gas, water, and electrical equipment; and all elevators, escalators, switchboards, engines, motors, tanks, pumps, screens, storm doors, storm windows, shades, awnings, floor coverings, cabinets, partitions, conduits, ducts and compressors; it being understood and agreed that all such fixtures and other machinery, apparatus and equipment are a part of the Real Estate and are declared to be a portion of the security for the Indebtedness Hereby Secured (as hereinafter defined) (whether in single units or centrally controlled, and whether permanently attached to the Real Estate or not);

GRANTING CLAUSE SECOND - OTHER PROPERTY

Any and all other property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred as and for additional security hereunder by Mortgagor or by anyone in Mortgagor's behalf to Mortgagee as additional security hereunder.

TO HAVE AND TO HOLD the Mortgaged Premises with the privileges and appurtenances thereunto belonging, and all rents, issues and profits therefrom, unto Mortgagee, and Mortgagee's successors and assigns, forever, for the uses and purposes herein expressed. Mortgagor covenants that at and until the execution and delivery of this Mortgage, Mortgagor is well seized of the Mortgaged Premises and has good right and full power to grant, mortgage and convey the same in the manner and form written; and that the same are free from all liens and encumbrances whatsoever, excepting only the permitted encumbrances ("**Permitted Encumbrances**") noted on Exhibit A; and that Mortgagor does warrant and will defend the Mortgaged Premises, with the privileges and appurtenances thereunto belonging to Mortgagee, and Mortgagee's successors and assigns, forever, against all lawful claims and demands whatsoever.

THIS MORTGAGE IS GIVEN TO SECURE (a) payment by Mortgagor to Mortgagee of all amounts from time to time outstanding under that certain Secured Promissory Note dated the date hereof in the aggregate principal amount of Thirty-Seven Million Four Hundred Ten Thousand Six Hundred Fifty-Three Dollars (\$37,410,653.00) (the "**Note**"), payable with interest at the rate and in the manner provided therein, and (b) performance of all obligations hereunder by Mortgagor and payment by Mortgagor to Mortgagee of all sums expended or advanced by Mortgagee pursuant to this Mortgage, as this Mortgage may be amended, modified, extended or renewed from time to time. The payment of the Note and all other obligations of Mortgagor to Mortgagee of the amounts described above, and any amendments, modifications, renewals, extensions, restatements and substitutions thereof or therefor, are hereinafter sometimes referred to as the "**Indebtedness Secured Hereby**". Notwithstanding anything contained in this Mortgage or the Note to the contrary, Mortgagor and Mortgagee understand and agree that the loan, as evidenced by the Note and secured by this Mortgage, is a nonrecourse loan and, consistent therewith, (i) nothing herein or in the Note shall be construed as creating any personal liability on any of Mortgagor's members, officers or directors to pay the Note or any interest accruing thereon, or to perform any covenant herein contained, all such liability, if any, being expressly waived by Mortgagee and by every person now or hereafter claiming any right or security

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hereunder, (ii) each of the provisions of the Mortgage and the Note shall constitute a condition and not a covenant or agreement regardless of whether such provisions may be construed or interpreted as a promise, covenant or agreement, and (iii) the remedy of Mortgagee and every person now or hereafter claiming any right or security hereunder shall be limited to the enforcement of the lien and security interest hereby created against the Mortgaged Premises and to any other collateral security provided hereunder.

AND, MORTGAGOR HEREBY COVENANTS AND AGREES that:

1. **PAYMENT OF INDEBTEDNESS SECURED HEREBY.** Mortgagor will pay and otherwise completely satisfy and perform all of the Indebtedness Secured Hereby.
2. **PAYMENT OF TAXES.** Mortgagor will pay all taxes, assessments, and other similar charges on the Mortgaged Premises before the same become delinquent, and will promptly deliver to Mortgagee, immediately following Mortgagee's request, payment receipts of the proper officials, provided, however, that Mortgagor shall not be required to pay any such tax, assessment or similar charge so long as the validity and/or amount thereof shall be contested in good faith by appropriate proceedings and adequate reserves therefor shall be maintained by Mortgagor. In default thereof, Mortgagee may, but is under no obligation hereby to so do, pay such taxes, assessments, and other similar charges including any penalties or interest thereon (of which payment, amount and validity thereof, the receipt of the proper official shall be conclusive evidence) and any amount so paid by Mortgagee shall become immediately due and payable by Mortgagor with interest as described in Paragraph 9 hereof until paid and shall be secured by this Mortgage.
3. **INSURANCE.** Upon request of Mortgagee, Mortgagor will procure, deliver to and maintain for the benefit of Mortgagee during the continuance of this Mortgage and until the same is fully satisfied and released, a policy or policies of insurance insuring, on a replacement cost basis, the buildings and improvements now existing or hereafter constructed or created on the Mortgaged Premises against loss or damage by fire, lightning, windstorm, hail, explosion, riot, civil commotion, aircraft, vehicles, flood (to the extent available), smoke, and such other hazards, casualties, and such other contingencies as Mortgagee may designate. All policies of insurance required hereunder shall be in such form, issued by such companies, and in such amounts as may be reasonably acceptable to Mortgagee, and shall contain a mortgagee clause in form acceptable to Mortgagee, including a provision that the coverage shall not be terminated or modified without sixty (60) days prior written notice to Mortgagee, with loss payable to Mortgagee as its interests may appear. Mortgagor will promptly pay when due, any premiums on any policy or policies of insurance required hereunder, and will deliver to Mortgagee, upon Mortgagee's request, certificates of insurance at least ten (10) days prior to the expiration date(s) thereof. Upon Mortgagor's failure to comply with the requirements of this Paragraph, Mortgagee may, in Mortgagee's discretion, but without any obligation hereunder so to do, effect any insurance required hereunder and pay the premiums due therefor, and any amounts so paid by Mortgagee shall become immediately due and payable by Mortgagor with interest as described in Paragraph 9 hereof, and shall be secured by this Mortgage. In the event any foreclosure action or other

proceeding hereunder is instituted by Mortgagee, all right, title, and interest of Mortgagor in any or to any policy or policies of insurance then in force shall vest in Mortgagee.

4. **ADJUSTMENT OF INSURANCE LOSSES AND APPLICATION OF PROCEEDS.** In the event of any loss or damage, Mortgagor will give immediate notice thereof to Mortgagee, and Mortgagee may thereupon make proof of such loss or damage, if the same is not promptly made by Mortgagor. All proceeds of insurance, in the event of such loss or damage, shall be payable to Mortgagee and Mortgagor, jointly, and any affected insurance company is authorized and directed to make payment thereof directly to Mortgagee and Mortgagor, jointly. Mortgagee is hereby authorized and empowered to settle, adjust, or compromise any claims in excess of One Million and 00/100 Dollars (\$1,000,000) for loss, damage, or destruction under any policy or policies of insurance; provided, however, Mortgagee shall consult with Mortgagor in connection with all such claims but Mortgagor's consent to any settlement, adjustment or compromise thereof shall not be required. All insurance proceeds shall be applied to the restoration, repair, replacement, or rebuilding of the Mortgaged Premises.
5. **MAINTENANCE, REPAIR, RESTORATION, ETC.** Mortgagor will maintain the Mortgaged Premises in good condition and repair and will not commit or suffer any waste thereof, reasonable wear and tear excepted. Mortgagor will comply with, or cause to be complied with, all statutes, ordinances, regulations, or requirements of any governmental authority relating to the Mortgaged Premises, and will promptly repair, restore, replace, or rebuild any part of the Mortgaged Premises now or hereafter subject to the lien of this Mortgage which may be damaged or destroyed by any casualty or as the result of any proceeding hereinafter referred to in Paragraph 7 hereof. None of the buildings, structures, or improvements now or hereafter erected or located on the Mortgaged Premises shall be removed, demolished, or substantially or structurally altered in any respect which would diminish the value thereof, without the prior written consent of Mortgagee. Mortgagee, and any person authorized by Mortgagee, shall have the right to enter upon and inspect the Mortgaged Premises at all reasonable times.
6. **OTHER LIENS AND CHARGES.** Mortgagor will not create or suffer to be created any charge, lien or encumbrance not otherwise permitted herein upon the Mortgaged Premises, or any part thereof, excepting the lien hereof and the Permitted Encumbrances, without the prior written consent of Mortgagee, provided, however, that Mortgagor shall not be required to satisfy any such charge, lien or encumbrance, so long as the validity and/or amount thereof shall be contested in good faith by appropriate proceedings and adequate reserves therefor shall be maintained by Mortgagor. Mortgagor will pay, when due, all charges for utilities or services, including, but not limited to, electricity, gas, water and sewer. In event Mortgagor fails to pay all such charges when due, Mortgagee may, at Mortgagee's option, but without any obligation hereunder so to do, pay same and any amounts so paid by Mortgagee shall become immediately due and payable by Mortgagor with interest as described in Paragraph 9 hereof and shall be secured by this Mortgage. Mortgagor agrees that Mortgagee is under no obligation to inquire into or establish the validity of any liens or claims of lien or interest before making advances to satisfy or settle any part of said claims.

7. **CONDEMNATION AND EMINENT DOMAIN.** If all or any part of the Mortgaged Premises are damaged, taken or acquired, either temporarily or permanently, in any condemnation proceeding, or by exercise of the right of eminent domain, or by the alteration of the grade of any street affecting the Mortgaged Premises, the amount of any award or other payment for such taking or damages made in consideration thereof is hereby assigned to Mortgagee, to the extent of the full amount of the then remaining unpaid Indebtedness Secured Hereby, and Mortgagee is empowered to collect and receive the same and to give proper receipts therefor in the name of Mortgagor, and the award or payment shall be paid forthwith to Mortgagee. Any award or payment so received by Mortgagee shall be retained and applied, in whole or in part, to the Indebtedness Secured Hereby, if there has been a default hereunder, in such manner as Mortgagee may determine, or, if no default shall have occurred, be released, in whole or in part, to Mortgagor for the purpose of altering, restoring, or rebuilding any part of the Mortgaged Premises which may have been altered, damaged, or destroyed as the result of such taking, alteration, or proceeding.
8. **DEFAULT.** The occurrence of any of the following events ("**Event of Default**") constitutes a default hereunder:
- (a) default is made in the punctual payment of the Secured Promissory Note or any installment thereof, either principal or interest, as and when the same is due and payable and such default continues uncured for a period of thirty (30) days thereafter;

In the event of any such default, Mortgagee is hereby authorized and empowered, at Mortgagee's option, and without affecting the lien hereby created, the priority of said lien or any right of Mortgagee hereunder, to declare, without further notice, all Indebtedness Secured Hereby to be immediately due and payable, whether or not such default is thereafter remedied by Mortgagor, and Mortgagee may immediately proceed to foreclose this Mortgage and/or exercise any right, power or remedy provided by this Mortgage, the Note or by law or in equity conferred.

9. **MORTGAGEE'S PERFORMANCE OF DEFAULTED ACTS.** In case of an Event of Default, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Mortgaged Premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including reasonable attorneys' fees, and any other moneys advanced by Mortgagee to protect the Mortgaged 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 rate of interest applicable to the Note. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to Mortgagee on account of any default on the part of Mortgagor. Mortgagee, in making any payment hereby authorized: (a) relating to taxes and assessments, may do so according to any bill, statement or estimate procured from the

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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 other prior lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

10. **IMPAIRMENT OF SECURITY.** Mortgagor will not assign, in whole or in part, the rents, income, or profits arising from the Mortgaged Premises to any person except Mortgagee without the prior written consent of Mortgagee, or in any other manner impair the security of this Mortgage for the payment of the Indebtedness Secured Hereby.
11. **ATTORNEYS' FEES.** If Mortgagee shall incur or expend any sums, including reasonable attorneys' fees, whether in connection with any action or proceeding or not, to sustain the lien or priority of this Mortgage, to protect or enforce any of Mortgagee's rights hereunder, or to recover any Indebtedness Secured Hereby, all such sums shall become immediately due and payable by Mortgagor with interest thereon as described in Paragraph 9 hereof. All such sums shall be secured by this Mortgage and be a lien on the Mortgaged Premises prior to any right, title, interest, or claim, in, to, or upon the Mortgaged Premises attaching or accruing subsequent to the lien of this Mortgage.
12. **LEASE CONDITIONS.** Mortgagor covenants and agrees, upon request of Mortgagee, at any time and from time to time prior to the release of this Mortgage or payment in full of the Indebtedness Secured Hereby, to: (a) deliver to Mortgagee the original executed lessor's copies of all leases for the occupancy of any portion of the Mortgaged Premises; (b) subject to the restrictions contained in the last sub-paragraph of Paragraph 21 below, assign, set over, and transfer to Mortgagee as additional security for the payment of the Indebtedness Secured Hereby, any such lease so delivered by an instrument of assignment in form and substance satisfactory to Mortgagee; (c) record any such instrument of assignment, at the expense of Mortgagor, in the proper office of the county in which the Real Estate is located; and (d) maintain on deposit with Mortgagee, any assigned lease during the term of the lease. Mortgagor covenants and agrees that a default by Mortgagor under the terms of any instrument of assignment, whereby a lease is assigned to Mortgagee, or a default by the lessor under the terms of any lease so assigned shall constitute an Event of Default under this Mortgage and Mortgagee shall have all the rights set forth in Paragraphs 8 and 9 hereof.
13. **FURNISHING OF STATEMENTS AND RECORDS.** With respect to the Mortgaged Premises and the operations thereof, Mortgagor will keep or cause to be kept proper books and records of accounts in accordance with generally accepted accounting principles consistently applied. Mortgagee shall have the right to examine the books and records at such reasonable times and intervals as Mortgagee may elect.
14. **USE OF PREMISES.** Mortgagor will not make, suffer, or permit, without the prior written consent of Mortgagee, (a) any use of the Mortgaged Premises for any purpose other than that for which the same are now used or intended to be used; or (b) any material alterations of the building, improvements, fixtures, apparatus, machinery, and equipment now or hereafter created or located upon the Mortgaged Premises which would result in a diminution of value thereof.

Mortgagor will execute and deliver, from time to time, such further instruments as may be requested by Mortgagee to confirm the lien of this Mortgage on any fixtures, machinery, apparatus and equipment described herein.

15. **MORTGAGEE'S EXERCISE OF RIGHTS, ETC.** In the event that Mortgagee (a) grants any extension of time for forbearance with respect to the payment of any Indebtedness Secured Hereby, (b) takes other or additional security for the payment thereof, (c) waives or fails to exercise any right granted herein, (d) grants any release, with or without consideration, of the whole or any part of the security held for the payment of the Indebtedness Secured Hereby, or (e) amends or modifies in any respect, with the consent of Mortgagor, any of the terms and provisions hereof; then and in any such event, such act or omission to act shall not release Mortgagor under any covenant of this Mortgage, nor preclude Mortgagee from exercising any right, power, or privilege herein granted or intended to be granted in the Event of Default or not, and without in any wise impairing or affecting the lien or priority of this Mortgage.
16. **EFFECTS OF CHANGES IN LAWS REGARDING TAXATION, STAMP TAX.** If, by the laws of the United States of America, or of any state having jurisdiction over Mortgagor, any tax is due or becomes due in respect to the issuance 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, and Mortgagee's successors and assigns, against any liability incurred by reason of the imposition of any tax on the issuance of this Mortgage.
17. **ACCELERATION IN CASE OF SALE OR LIEN.** In the event Mortgagor shall (a) convey title to or otherwise suffer or permit Mortgagor's equity of redemption in the Mortgaged Premises described in this Mortgage to become vested in any person or persons other than Mortgagor, or (b) create or permit to exist any lien or encumbrance, other than a Permitted Encumbrance and/or liens and encumbrances contested in good faith by Mortgagor in the manner provided for above, without Mortgagee's prior written consent, then in any such event, Mortgagee is hereby authorized and empowered, at Mortgagee's option and without affecting the lien hereby created or the priority of said lien or any right of Mortgagee hereunder, to declare the Indebtedness Secured Hereby immediately due and payable and apply toward the payment of the Indebtedness Secured Hereby, in such order of application as Mortgagee may from time to time elect, any indebtedness of Mortgagee to Mortgagor, and Mortgagee may also immediately proceed to foreclose this Mortgage, and in any foreclosure a sale may be made of the Mortgaged Premises en masse without offering the several parts separately. Acceptance by Mortgagee of any mortgage payments made after any such event or by any person or persons other than Mortgagor shall not be deemed a waiver by Mortgagee of Mortgagee's rights to require or enforce performance of this provision or to exercise the remedies hereunder. For the purposes of this provision, the word "person" means an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, or a governmental or political subdivision thereof or any one (1) or more or combination of the foregoing. Whenever Mortgagee shall elect to declare the Indebtedness Secured Hereby immediately due and payable in accordance with this provision, Mortgagee shall give written notice to Mortgagor and to Mortgagor's successors in title not less than thirty (30) days prior to the effective date of

such acceleration. Such notice shall be deemed to have been given upon the mailing thereof by registered or certified mail, postage prepaid, addressed to the last known address of Mortgagor and of Mortgagor's successors in title as recorded upon the books of Mortgagee, but if no such address be so recorded then to the address of the Mortgaged Premises.

18. **CROSS DEFAULT.** Any default under any of terms and provisions of the Secured Promissory Note shall be deemed to be a default under this Mortgage, and Mortgagee, at Mortgagor's election, may avail itself of any and all remedies under this Mortgage.
19. **SEPARATE SECURITY AGREEMENT.** Mortgagor, upon request by Mortgagee from time to time, shall execute, acknowledge and deliver to Mortgagee, a security agreement, financing statement or other similar security instruments, in form and substance satisfactory to Mortgagee, covering all property which is covered hereby (including replacements and substitutions therefor) and which constitutes goods within the meaning of the Uniform Commercial Code or concerning which there may be any doubt whether the title to same has been conveyed by or security interest perfected by this Mortgage under the laws of the state in which the Mortgaged Premises are located, and will further execute, acknowledge and deliver any financing statement, affidavit, continuation statement or certificate or other document as Mortgagee may request in order to perfect, preserve, maintain, continue or extend the security interest under and the priority of this Mortgage and such security instrument, Mortgagor further agrees to pay to Mortgagee, on demand, all costs and expenses incurred by Mortgagee in connection with the recording, filing and re-filing of any such document.
20. **APPOINTMENT OF RECEIVER.** Upon, or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Mortgaged Premises. Such appointment may be made either before or after sale, without notice, 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 Mortgaged Premises or whether the same shall be then occupied as a homestead or not and Mortgagee hereunder or any holder of the Note may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of the Mortgaged Premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Mortgaged Premises during the whole of said period. The court from time to time may authorize the receiver to apply the net income in the receiver's hands in payment in whole or in part of: (a) the Indebtedness Secured Hereby (in such order of application as Mortgagee may from time to time elect), or by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; or (b) the deficiency in case of a sale and deficiency.

21. **ASSIGNMENT OF RENTS AND LEASES.** To the extent not elsewhere already done and to further secure the Indebtedness Secured Hereby, Mortgagor does hereby sell, assign and transfer unto Mortgagee all the rents, issues and profits now due and which may hereafter become due under or by virtue of any lease, whether written or verbal, or any letting of, or of any agreement for the use or occupancy of the Mortgaged Premises or any part thereof, 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 of such leases and agreements, and all the avails thereunder, unto Mortgagee. Mortgagor hereby appoints irrevocably Mortgagee as Mortgagor's true and lawful attorney in Mortgagor's name and stead (with or without taking possession of the Mortgaged Premises as provided in Paragraph 22 hereof) to rent, lease or let all or any portion of the Mortgaged Premises to any party or parties at such rental and upon such terms as Mortgagee shall, in Mortgagee's sole and absolute 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 and agreements, written or verbal, or other tenancy existing or which may hereafter exist on the Mortgaged 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 Paragraph 22 hereof.

Mortgagor represents and agrees that no rent has been or will be paid by any person in possession of any portion of Mortgaged Premises for more than one installment in advance and that the payment of none of the rents to accrue for any portion of the said Mortgaged Premises has been or will be waived, released, reduced, discounted, or otherwise discharged or compromised by Mortgagor. Mortgagor waives any rights of set-off against any person in possession of any portion of the Mortgaged Premises. If any lease provides for the abatement of rent during repair of the Mortgaged Premises thereunder by reason of fire or other casualty, Mortgagor shall furnish to Mortgagee rental insurance, the policies to be in amount and form and written by such insurance companies as shall be reasonably satisfactory to Mortgagee. Mortgagor agrees that Mortgagor will not assign any of the rents or profits of the Mortgage Premises, except to Mortgagee.

Nothing herein contained shall be construed as constituting Mortgagee a mortgagee in possession in the absence of the taking of actual possession of the Mortgaged Premises by Mortgagee pursuant to Paragraph 22 hereof. In the exercise of the powers herein granted to Mortgagee, no liability shall be asserted or enforced against Mortgagee, all such liability being expressly waived and released by Mortgagor.

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

Although it is the intention of the parties that the assignment contained in this Paragraph 21 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 Mortgagee by this Paragraph until a default shall exist hereunder.

22. **MORTGAGEE'S RIGHT OF POSSESSION IN CASE OF DEFAULT.** In any case in which under the provisions of this Mortgage, Mortgagee has a right to institute foreclosure proceedings, whether before or after any Indebtedness Secured Hereby is declared to be immediately due as aforesaid, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, forthwith, upon demand of Mortgagee, Mortgagor shall surrender to Mortgagee and Mortgagee shall be entitled to take actual possession of the Mortgaged Premises or any part thereof personally, or by Mortgagee's agents or attorneys, as for condition broken, and Mortgagee may, with or without force and with or without process of law, enter upon and take and maintain possession of all or any part of the Mortgaged Premises, together with all documents, records, papers and accounts of Mortgagor or the then owner of the Mortgaged Premises relating thereto, and may exclude Mortgagor, and Mortgagor's agents or servants, wholly therefrom and may as attorney in fact or agent of Mortgagor, or in Mortgagee's own name as Mortgagee and under the powers herein granted, hold, operate, manage and control the Mortgaged Premises and conduct the business, if any, thereof, either personally or by Mortgagee's agents, and with full power to use such measures, legal or equitable, as in Mortgagee's discretion or in the discretion of Mortgagee's successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the Mortgaged Premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, 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, and with full power to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same, to elect to disaffirm any lease or sublease made subsequent to this Mortgage or subordinated to the lien hereof, to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Mortgaged Premises as to Mortgagee may seem judicious, insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof and to receive all of such avails, rents, issues and profits.

Mortgagee shall not be obligated to perform or discharge, nor does Mortgagee hereby undertake to perform or discharge, any obligation, duty or liability under any leases, and Mortgagor shall and does hereby agree to indemnify and hold Mortgagee harmless of and from any and all liability, loss or damage which Mortgagee may or might incur under said leases or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may be asserted against Mortgagee by reason of any alleged obligations or undertakings on Mortgagee's part to perform or discharge any of the terms, covenants or agreements contained in said leases. Should Mortgagee incur any such liability, loss or damage under said leases or under or by reason of the assignment thereof, or in the defense of any claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby, and Mortgagor shall reimburse Mortgagee therefor immediately upon demand.

23. **APPLICATION OF INCOME.** Mortgagee, in the exercise of the rights and powers hereinabove conferred upon Mortgagee by Paragraphs 21 and 22 hereof, shall have full power to use and apply the avails, rents, issues and profits of the Mortgaged Premises to the payment of or on account of the following, in such order as Mortgagee may determine (a) to the payment of the operating expenses of said property, including cost of management and leasing thereof (which shall include reasonable compensation to Mortgagee and Mortgagee's agents, if management be delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases), established claims for damages, if any, and premiums on insurance hereinabove authorized; (b) to the payment of taxes and special assessments now due or which may hereafter become due on the Mortgaged Premises; (c) to the payment of all repairs, decorating, renewals, replacements, alterations, betterments, and improvements of the Mortgaged Premises, including the cost from time to time of installing or replacing refrigeration and gas or electric stoves therein, and of placing said property in such condition as will, in the judgment of Mortgagee, make it readily rentable; and (d) to the payment of any Indebtedness Secured Hereby, in such order of application as Mortgagee may from time to time elect, or any deficiency which may result from any foreclosure sale.

24. **FORECLOSURE; EXPENSE OF LITIGATION.** When the Indebtedness Secured Hereby or any part thereof, shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for the Indebtedness Secured Hereby or part thereof, upon five (5) days prior written notice to Mortgagor. Such notice, together with all communications provided for herein or otherwise made, shall be in writing and shall be deemed to have been given when delivered personally or when deposited in the United States mail, registered or certified, postage prepaid, addressed as follows:

to Mortgagor: Ravenswood Hospital Medical Center
4550 North Winchester
Chicago, Illinois 60640-5205
Attn: President and Chief Executive Officer

to Mortgagee: Advocate Health and Hospitals Corporation
2025 Windsor Drive
Oak Brook, IL 60523
Attn: Corporate Controller

With a copy to:

Advocate Health Care
2025 Windsor Drive
Oak Brook, IL 60523
Attn: Chief Legal Officer and General Counsel

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In any suit to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness Secured Hereby in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be held pursuant to such decree the true condition of the title to or the value of the Mortgaged Premises. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of the Mortgaged Premises and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Note, or the Mortgaged Premises, including probate and bankruptcy proceedings, or in 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 as provided in Paragraph 9 hereof and shall be secured by this Mortgage.

25. **APPLICATION OF PROCEEDS OF FORECLOSURE SALE.** The proceeds of any foreclosure sale of the Mortgaged Premises shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof; second, to the Indebtedness Secured Hereby, with interest thereon as herein provided, in such order of application as Mortgagee may from time to time elect; and any surplus to Mortgagor, or Mortgagor's successors or assigns, as their rights may appear.
26. **WAIVER OF RIGHTS.** Mortgagor shall not and will not apply for or avail itself of any appraisalment, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor, for itself and all who may claim through or under Mortgagor, waives any and all right to have the property and estates comprising the Mortgaged Premises marshaled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Premises sold as an entirety. Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure, pursuant to rights herein granted, on behalf of Mortgagor, and each and every person acquiring any interest in, or title to, the Mortgaged Premises subsequent to the date of this Mortgage, and on behalf of all persons to the extent permitted by applicable law.
27. **PARTIAL INVALIDITY.** Mortgagor and Mortgagee intend and believe that each provision in this Mortgage comports 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 is found by a court of law to be in violation of any applicable local, state or federal ordinance, statute, law, administrative or judicial decision, 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 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 rights, obligations and interest of Mortgagor and Mortgagee under the remainder of this Mortgage shall continue in full force and effect.

28. **DEFINITION OF TERMS.** Whenever used in this instrument, unless the context shall otherwise clearly require, the term "Mortgagor" shall include the successors and assigns, as the case may be, of Mortgagor, and all persons claiming by, through, or under Mortgagor; the term "Mortgagee" shall include the successors and assigns of Mortgagee, including any subsequent holders of the Note; the term "person" shall include any individual, partnership, corporation, trustee, or unincorporated association; the term "Mortgaged Premises" shall include the Real Estate, together with all buildings, structures, and improvements thereon, and all fixtures and other machinery, apparatus and equipment affixed thereto, and any and all other right, property, interest at any time subject to the lien of this Mortgage; the singular shall include the plural, and the plural, the singular; the gender used shall include the other genders.

29. **BINDING ON SUCCESSORS AND ASSIGNS; MISCELLANEOUS.** All of the terms, covenants, conditions, and agreements herein set forth shall be binding upon and inure to the benefit of the respective successors and assigns, as the case may be, of the parties hereto, including any subsequent holders of the Note.

This Mortgage may not be amended, modified or altered in any respect, or any of its provisions waived, except by written agreement executed by Mortgagor, Mortgagee and their successors and assigns, including subsequent holders of the Note. Any consent required hereunder may not be unreasonably withheld by the party whose consent is required.

PROVIDED, NEVERTHELESS, that if Mortgagor shall pay to Mortgagee the Indebtedness Secured Hereby and the interest thereon, and otherwise perform all of Mortgagor's obligations, all in the manner and at the time mentioned in the Note, and if Mortgagor shall pay to Mortgagee any and all other sums which may become payable by Mortgagor hereunder, and shall fully keep and perform the terms, covenants, conditions, and agreements hereof by Mortgagor to be kept and performed, then this Mortgage and the estate hereby granted shall cease, determine, and be void, and this Mortgage shall thereupon be released by Mortgagee at the cost and expense of Mortgagor.

PCL 1:

LOTS 1, 2, AND 3 OF SAMUEL BROWN JR.'S SUBDIVISION OF LOTS 13 AND 14 IN BLOCK 14 IN RAVENSWOOD, BEING A SUBDIVISION OF PART OF THE NORTHEAST 1/4 AND THE NORTHEAST 1/4 OF THE SOUTH EAST 1/4 OF SECTION 18, AND PART OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOTS 1 AND 2 IN FELIX J. CANDA'S RESUBDIVISION OF LOT 15 IN BLOCK 14, IN RAVENSWOOD AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOTS 16 THROUGH 24, BOTH INCLUSIVE, IN BLOCK 14 IN RAVENSWOOD AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

LOTS 1 THROUGH 10, BOTH INCLUSIVE, AND LOTS 13 THROUGH 24, BOTH INCLUSIVE, IN BLOCK 15 IN RAVENSWOOD AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL 5:

ALL THAT PART OF NORTH WINCHESTER AVENUE, LYING WEST OF AND ADJOINING THE WEST LINE OF LOTS 17 TO 24, BOTH INCLUSIVE, IN BLOCK 14, LYING EAST OF AND ADJOINING THE EAST LINE OF LOTS 1 TO 8, BOTH INCLUSIVE, IN BLOCK 15, AND LYING NORTH OF AND ADJOINING A LINE DRAWN FROM THE SOUTHWEST CORNER OF SAID LOT 17 IN BLOCK 14 TO THE SOUTHEAST CORNER OF SAID LOT 8 IN BLOCK 15, ALL IN RAVENSWOOD AFORESAID, SAID PART OF PUBLIC STREET BEING FURTHER DESCRIBED AS ALL THAT PART OF NORTH WINCHESTER AVENUE LYING BETWEEN WEST WILSON AVENUE AND A LINE DRAWN 392 FEET, MORE OR LESS, SOUTH OF AND PARALLEL THERETO, IN COOK COUNTY, ILLINOIS.

PCL 6:

THAT PART OF THE NORTH AND SOUTH VACATED ALLEY PER DOCUMENT 24015075, LYING WEST OF AND ADJOINING LOTS 1 TO 10 AND LYING EAST OF AND ADJOINING LOTS 15 TO 24, IN BLOCK 15 IN RAVENSWOOD AFORESAID AND LYING NORTH OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 10 TO THE SOUTHEAST CORNER OF LOT 15 AFORESAID, ALSO THAT PART OF THE WEST HALF OF THE NORTH AND SOUTH VACATED ALLEY PER DOCUMENT 24015075 LYING EAST OF AND ADJOINING LOTS 13 AND 14 IN BLOCK 15 IN RAVENSWOOD AFORESAID AND LYING SOUTH OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 10 TO THE SOUTHEAST CORNER OF LOT 15 AFORESAID. ALL IN COOK COUNTY, ILLINOIS.