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Illinois Anti-Predatory Lending Database Program

Doc#: 1014741154 Fee: \$98.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 05/27/2010 02:57 PM Pg: 1 of 32

Certificate of Exemption

8278297

Report Mortgage Fraud
800-532-8785

The property identified as: PIN: 14-28-205-001-0000

Address:

Street: 2900 N. Lake Shore Drive

Street line 2:

City: Chicago

State: IL

ZIP Code: 60657

Lender: The Bank of New York Mellon Trust Company, N.A.

Borrower: St. Joseph Hospital

Loan / Mortgage Amount: \$750,000,000.00

This property is located within Cook County and is exempt from the requirements of 765 ILCS 1717 et seq. because it is commercial property.

Certificate number: E36F5104-DFF2-420F-8DF4-B124CF9934FC

Execution date: 05/26/2010

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2/22

8278293 D2 MS

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

Made by

St. Joseph Hospital,
an Illinois not for profit corporation,

Mortgagor

To and in favor of

The Bank of New York Mellon Trust Company, N.A.,
a national banking association, as Master Trustee,

Mortgagee

Dated May 26, 2010

This instrument was prepared by and to be
returned after recording to:

Julie K. Seymour
Ungaretti & Harris
3500 Three First National Plaza
Chicago, Illinois 60602-4283

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This **MORTGAGE, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT AND FIXTURE FILING** dated as of May 26, 2010 ("*Mortgage*") is made by St. Joseph Hospital, an Illinois not for profit corporation (the "*Mortgagor*"), having an address of 7435 West Talcott Avenue, Chicago, Illinois 60631, Attention: Chief Financial Officer, to and in favor of and The Bank of New York Mellon Trust Company, N.A., a national banking association, as master trustee ("*Mortgagee*"), having an address of 2 North LaSalle Street, Suite 1020, Chicago, Illinois 60602, Attention: Global Corporate Trust Midwest.

WITNESSETH

WHEREAS, Mortgagor is the owner of, among other real property, a hospital facility located in the State of Illinois and commonly known as follows: St. Joseph Hospital located in Chicago, Cook County Illinois, on the real estate legally described on Exhibit A attached hereto (the "*Real Estate*"); and

WHEREAS, the Mortgagor, Resurrection Health Care Corporation, Resurrection Medical Center, Saints Mary and Elizabeth Medical Center, Saint Francis Hospital, Our Lady of the Resurrection Medical Center, West Suburban Medical Center and Westlake Community Hospital (d/b/a Westlake Hospital) (collectively, the "*Members of the Obligated Group*") previously have entered into a Master Trust Indenture dated as of August 1, 1999 (as supplemented and amended from time to time, the "*Master Indenture*"), with the Mortgagee, as master trustee; and

WHEREAS, pursuant to the Tenth Supplemental Master Trust Indenture dated as of December 1, 2009, supplementing and amending the Master Indenture, Resurrection Health Care Corporation, on behalf of the Obligated Group, has agreed to provide a mortgage on the Real Estate; and

WHEREAS, the Mortgagor wishes to mortgage and assign to the Mortgagee its interest in the Real Estate and other Mortgaged Property described herein as security for the Obligations and the performance of the obligations of the Obligated Group under the Master Indenture and the Mortgagor hereunder; provided, however, that the maximum aggregate principal amount of Obligations that may be secured hereby is expressly limited to \$750,000,000.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration the receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest payable on the Obligations, the Mortgagor has executed and delivered this Mortgage and by these presents does assign, grant, mortgage, warrant, convey, transfer, pledge, set over and confirm unto the Mortgagee, and its successors and assigns forever, the Mortgagor's right, title and interest in, to and under any and all of the following described property (herein collectively called the "*Mortgaged Property*"):

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GRANTING CLAUSES

Real Estate

The Real Estate legally described in Exhibit A hereto, together with the entire interest of Mortgagor (whether now owned or hereafter acquired) in and to said Real Estate and in and to all buildings, structures, improvements and appurtenances now standing, or at any time hereafter constructed or placed upon the Real Estate (except as may be provide for in Exhibit A), including all building materials, building equipment and fixtures of every kind and nature whatsoever on the Real Estate or in any building, structure or improvement now standing or hereafter constructed or placed thereon, and the reversion or reversions, and remainder or remainders, in and to the Real Estate, and together with the entire interest of the Mortgagor in and to all and singular the tenements, hereditaments, easements, rights of way, rights, privileges and appurtenances to the Real Estate, belonging or in any way appertaining thereto, and all right, title and interest of the Mortgagor in, to and under any streets, ways or alleys adjoining said Real Estate or any part thereof including all bridges thereover and tunnels thereunder, including without limitation all claims or demands whatsoever of the Mortgagor either in law or in equity, in possession or expectancy of, in and to the Real Estate, it being the intention of the parties hereto that, so far as may be permitted by law, all property of the character hereinabove described, which is now owned or hereafter acquired by the Mortgagor and affixed to or attached to or placed on the Real Estate, shall be deemed to be, and shall be considered as, fixtures and appurtenances to said Real Estate of the Mortgagor, together with all rents, income, issues and profits therefrom (collectively, the "*Mortgaged Real Estate*"); and

Fixtures, Machinery and Equipment

All of Mortgagor's right, title and interest in and to the fixtures, machinery and equipment (including, without limitation, the lighting, heating, cooling, plumbing, ventilating, electrical and other systems) attached to or otherwise comprising a part of or necessary to conducting the business of the medical hospital buildings located on the Mortgaged Real Estate (the "*Fixtures, Machinery and Equipment*"); and

Condemnation Awards

All judgments, awards of damages, settlements and other compensation heretofore or hereafter made resulting from condemnation proceedings or the taking of the Mortgaged Real Estate or any part thereof or any building or other improvement now or at any time hereafter located thereon or any easement or other appurtenance thereto under the power of eminent domain, or any similar power or right (including any award from the United States Government at any time after the allowance of the claim therefor, the ascertainment of the amount thereof and the issuance of the warrant for the payment thereof), whether permanent or temporary, or for any damage (whether caused by such taking or otherwise) to said property or any part thereof or the improvements thereon or any part thereof, or to any rights appurtenant thereto, including severance and consequential damage, and any award for change of grade of streets (collectively, "*Condemnation Awards*"); and

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Intangibles

All of Mortgagor's interest in all existing and future contract rights, general intangibles, franchise, license and/or area development agreements, permits, licenses and certificates necessary or desirable in connection with the acquisition, ownership, leasing, construction, operation, servicing or management of the Mortgaged Property, whether now existing or entered into or obtained after the date hereof, including, without limitation, all construction contracts, architect agreements, plans, specifications, drawings, permits, licenses, agreements, consents, approvals and warranties now or hereafter relating to the construction of the Mortgaged Property and all amendments and modifications thereto; all existing and future names under which the Mortgaged Property or any portion thereof may at any time be operated or known and all rights to carry on business under such names or any variant thereof, and all trademarks and good will in any way related to the Mortgaged Property or any portion thereof (collectively, "*Intangibles*").

SUBJECT, HOWEVER, to the easements, covenants, conditions and restrictions of record and other exceptions to title identified as Schedule B exceptions on the Mortgage Loan Policies of Title Insurance issued to the Mortgagee by Chicago Title Insurance Company in respect of this Mortgage and such liens otherwise permitted by the Master Indenture (collectively the "*Permitted Encumbrances*");

TO HAVE AND TO HOLD all and singular, the Mortgaged Property, whether now owned or hereafter acquired, unto the Mortgagee, its successors and assigns forever; provided, however, that this Mortgage is upon the express condition that if the Mortgagor shall pay or cause to be paid all Indebtedness secured hereby and shall keep, perform and observe all and singular the Obligations issued under the Master Indenture and in this Mortgage expressed to be kept, performed and observed by the Mortgagor, then this Mortgage and the rights hereby granted shall cease, determine and be void, otherwise to remain in full force and effect.

The Mortgagor and the Mortgagee hereby further covenant and agree as follows:

ARTICLE I

Definitions

In addition to the words and terms elsewhere defined in this Mortgage, the following words and terms as used in this Mortgage shall have the following meanings unless the context or use indicates another or different meaning or intent:

"*Collateral*" has the meaning set forth in Section 3.18.

"*Condemnation Awards*" has the meaning set forth in the Granting Clauses.

"*Environmental Law*" means any and all local, state, federal, international, governmental, public or private laws, statutes, ordinances, regulations, orders, consent decrees,

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settlement agreements, injunctions, judgments, permits, licenses, codes, covenants, deed restrictions, common laws, treaties, and reported state or federal court decisions thereunder, related to environmental protection, health and safety of persons, natural recourse damages, conservation, wildlife, waste management, the use, storage, generation, production, treatment, emission, discharge, remediation, removal, disposal or transport or any other activity related to a Hazardous Material, or any other environmental matter, including but not limited to any of the following statutes: (a) Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, and Solid Hazardous Waste Amendments of 1984, 42 U.S.C. Sections 6901-9661K; (b) Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601-9675; (c) Clean Air Act of 1966, as amended, 42 U.S.C. Sections 7401-7642; (d) Hazardous Materials Transportation Control Act of 1970, as amended, 49 U.S.C. Sections 1801-1812; (e) Water Pollution Control Act, as amended by the Clean Water Act of 1977, 33 U.S.C. Sections 1251-1387; (f) Insecticide, Fungicide and Rodenticide Act, as amended, 7 U.S.C. Section 136-136y; (g) Toxic Substances Control Act, as amended, 15 U.S.C. Sections 2601-2671; (h) Safe Drinking Water Act, 42 U.S.C. Sections 300f-300j-26; (i) Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. 651 (j) Emergency Planning & Community Right-To-Know Act of 1986, 42 U.S.C. §§11001-11050; (k) National Environmental Policy Act of 1978, 42 U.S.C. Section 300(f) et seq.; (l) any similar or implementing state or local laws, statutes, ordinances; and (m) all amendments, rules, regulations, guidance documents and publications promulgated under any and all of the above.

"Event of Default" has the meaning set forth in Section 4.1.

"Fixtures, Machinery and Equipment" has the meaning set forth in the Granting Clauses.

"Hazardous Materials" means any hazardous or toxic chemical, element, material, waste, byproduct, pollutant, contaminant, compound, product or substance or other similar term including any material that is regulated by any Environmental Law or that hereafter becomes regulated by any Environmental Law, including, without limitation asbestos, urea formaldehyde foam insulation, petroleum and its derivatives, by-products and other hydrocarbons, radioactive materials, radon gas and polychlorinated byphenyls (PCBs).

"Indebtedness secured hereby" means the Obligations and the other amounts payable under the Master Indenture and this Mortgage.

"Master Indenture" means that certain Master Trust Indenture dated as of August 1, 1999 among the Members of the Obligated Group and the Mortgagee, as master trustee, as supplemented, amended and/or modified from time to time.

"Members of the Obligated Group" has the meaning set forth in the Recitals hereto.

"Mortgage" means this Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Filing, as supplemented and amended from time to time.

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"Mortgaged Real Estate" has the meaning set forth in the Granting Clauses.

"Mortgaged Property" means all of the property, collectively, described in the Granting Clauses.

"Obligations" has the meaning set forth in the Recitals.

"Real Estate" means the real estate described in the Recitals hereto.

"Released Property" has the meaning set forth in Section 5.1.

"State" means the State of Illinois.

"Taxes" has the meaning set forth in Section 3.7.

"UCC" means the Illinois Uniform Commercial Code.

All accounting terms not otherwise defined herein shall have the meanings assigned to them in accordance with generally accepted accounting principles.

All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Mortgage as a whole and not to any particular Article, Section or other subdivision unless the context indicates otherwise.

ARTICLE II

Representations and Warranties

The Mortgagor makes the following representations and warranties as the basis for its covenants herein:

(a) It is a not for profit corporation duly incorporated under the laws of the State, is in good standing and duly authorized to conduct its business in the State, is duly authorized and has full power under the laws of the State and all other applicable provisions of law and its articles of incorporation and by-laws to create, issue, enter into, execute and deliver this Mortgage and all action on its part necessary for the valid execution and delivery of this Mortgage has been duly and effectively taken.

(b) The execution and delivery of this Mortgage, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate restriction or of any agreement or instrument to which it is now a party, and do not and will not

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constitute a default under any of the foregoing. The Mortgagor has full power and lawful authority to mortgage and grant a security interest in the Mortgaged Property to the Mortgagee. This Mortgage constitutes (i) a direct and valid lien upon the Mortgaged Real Estate, and the Fixtures, Machinery and Equipment subject only to Permitted Encumbrances, and (ii) a legal, valid and binding obligation of the Mortgagor, enforceable in accordance with its terms. The easements, rights-of-way, liens, encumbrances, covenants, conditions, restrictions, exceptions, minor defects, irregularities of title and encroachments on adjoining real estate which are Permitted Encumbrances, if any, now existing with respect to the Real Estate do not and will not materially adversely affect the value of the Mortgaged Property currently affected thereby, or materially impair or materially interfere with the operation and usefulness thereof for the purpose for which they were acquired or are held by the Mortgagor.

(c) To the best of the Mortgagor's knowledge, no Hazardous Materials are present on the Mortgaged Property in violation of any applicable Environmental Laws. The Mortgagor will not cause or permit any Hazardous Material to be brought upon, kept, stored, released, produced manufactured, disposed of, used, treated, generated or otherwise handled on, in, about or beneath the Property or any portion thereof by the Mortgagor, its agents, employees, contractors, invitees, any tenants or subtenants, or any other person, except to the extent such Hazardous Material is commonly used in the operation of the Mortgaged Real Estate as hospital and health care facilities and in the construction or normal operation (including renovation or repair) of the Mortgaged Property and such Hazardous Material is handled, used and disposed of in compliance with all applicable Environmental Laws.

(d) The Mortgaged Property and its intended use substantially and materially comply with applicable laws, governmental regulations and the terms of any enforcement action commenced by any federal, State, regional or local governmental agency, including, without limitation, all applicable Environmental Laws. The Mortgagor covenants that the Mortgaged Property and its use shall at all times comply with all Environmental Laws.

(e) The Mortgagor represents and warrants that: (i) the proceeds of the Indebtedness secured by this Mortgage will be used for the purposes specified in 815 ILCS 205/4(1)(a) and that the Indebtedness secured hereby constitutes a business loan which comes within the purview of said 815 ILCS 205/4(1)(a); and (ii) the Mortgaged Property does not include agricultural real estate, as defined in Section 15-1201 of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101 et seq. (as amended from time to time, the "Act") or residential real estate, as defined in Section 15-1219 of the Act.

ARTICLE III

General Covenants and Agreements

Section 3.1. Master Indenture Covenants. Each and all of the terms, provisions, restrictions, covenants and agreements set forth in the Master Indenture are incorporated herein by reference and, to the extent such provisions are applicable to Mortgagor and/or the Mortgaged Property, the Mortgagor hereby covenants and agrees well and truly to abide by, perform and be

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governed and restricted by each and all of such matters provided for by the Master Indenture and so incorporated herein to the same extent and with the same force and effect as set out and repeated herein at length.

Section 3.2. Further Assurances; After Acquired Property. (a) The Mortgagor will execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such agreements supplemental hereto and all such further acts, deeds, conveyances, mortgages, assignments, instruments, transfers and assurances as the Mortgagee reasonably may require for the better assuring, transferring, mortgaging, conveying, pledging, assigning and confirming unto the Mortgagee all and singular the Mortgaged Property as now or hereafter constituted.

(b) All right, title and interest of the Mortgagor in and to all real property, buildings, improvements and/or fixtures as an addition to or in replacement of or in substitution for the Mortgaged Property hereafter constructed or acquired by the Mortgagor and located on the Real Estate, immediately upon such construction or acquisition, and without any further mortgaging, conveyance or assignment, shall become and be part of the Mortgaged Property and shall be subject to the lien and security interest of this Mortgage as fully and completely and with the same effect as though now owned by the Mortgagor, but at any and all times the Mortgagor will execute and deliver to the Mortgagee all such further assurances, mortgages, conveyances or assignments therefore and other instruments with respect thereto as the Mortgagee may reasonably require for the purpose of expressly and specifically subjecting the same to the lien and security interest of this Mortgage. Real property, buildings, improvements and fixtures hereafter constructed or acquired by the Mortgagor shall be deemed to be an addition to the Mortgaged Property and subject to the provisions of this paragraph if they comprise facilities that are functionally related to, and operated on an integrated basis with, the facilities then constituting a part of the Mortgaged Property.

Section 3.3. Payment of Principal, Premium, if any, and Interest. The Mortgagor will duly and punctually pay the principal of, premium, if any, and interest on the Obligations secured hereby according to the terms thereof.

Section 3.4. Maintenance of Lien; Recording. (a) The Mortgagor will, at its own expense, take all necessary action to maintain and preserve the lien and security interest of this Mortgage so long as the Obligations are outstanding.

(b) The Mortgagor will, forthwith after the execution and delivery of this Mortgage and thereafter from time to time, cause this Mortgage and any financing statements in respect thereof to be filed, registered and recorded in such manner and in such places as may be required by law in order to publish notice of and fully to perfect and protect the lien and security interest hereof upon, and the priority thereof, and the title of the Mortgagor to, the Mortgaged Property, and from time to time will perform or cause to be performed any other act as provided by law and will execute or cause to be executed any and all continuation statements and further instruments that may be requested by the Mortgagee for such publication, perfection and protection. Except to the extent it is exempt therefrom, the Mortgagor will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses

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incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal and State fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Mortgage and such instruments of further assurance.

Section 3.5. Maintenance, Repair, Restoration, Liens. The Mortgagor shall (a) pay, when due, any indebtedness that may be secured by a lien or charge on the Mortgaged Property (whether senior, of equal priority, or junior to the lien hereof) and, upon request, exhibit to the Mortgagor satisfactory evidence of the discharge of such lien; (b) complete in a timely manner and free and clear of the liens of any mechanics or materialmen any building(s) or other improvements now or at any time in the process of erection or rehabilitation upon the Mortgaged Property; (c) comply with all requirements of law, municipal ordinances, and restrictions and covenants of record with respect to the Mortgaged Property and the use thereof; (d) suffer or permit no unlawful use of, or nuisance to exist upon, the Mortgaged Property; and (e) cause the Mortgaged Property to be managed in a competent and professional manner.

Section 3.6. Priority of Lien. It is further made an express condition and covenant hereof, that while this Mortgage is in effect, the lien of this Mortgage shall extend to any and all improvements and fixtures owned by the Mortgagor, now or hereafter on the Mortgaged Property, prior to any other lien thereon that may be claimed by any person, so that subsequently accruing claims for lien on the Mortgaged Property shall be junior to this Mortgage, except for Permitted Encumbrances.

Section 3.7. Taxes. To the extent any portion of the Mortgaged Property is not exempt from the payment of such taxes or shall hereafter no longer qualify, in whole or in part, for any such exceptions, the Mortgagor shall pay before any penalty attaches all general and special taxes, assessments, water charges, sewer charges and other fees and charges of every kind and nature (all herein generally called "Taxes"), whether or not assessed against the Mortgagor, if applicable to the Mortgaged Property or any interest therein or any obligation or agreement secured hereby; and the Mortgagor shall, upon written request, furnish to the Mortgagee duplicate receipts therefor. The Mortgagor shall pay in full under protest in the manner provided by statute any Taxes that the Mortgagor may desire to contest, and in any event, shall pay such Taxes, notwithstanding such contest, if in the opinion of the Mortgagee, the Mortgaged Property shall be in jeopardy or in danger of being forfeited or foreclosed; and if the Mortgagor shall not pay the same when so required, the Mortgagee may do so and may apply any deposit received from Mortgagor for such purpose. In the event that any law or decree has the effect of deducting from the value of the Mortgaged Property for the purpose of taxation or any lien thereon, or imposing upon the Mortgagee the payment of the whole or any part of the Taxes or liens herein required to be paid by the Mortgagor or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the interest of the Mortgagee in the Mortgaged Property, or the manner of collection of Taxes, so as to affect this Mortgage or the Mortgagee, then, and in any such event, the Mortgagor, upon demand by the Mortgagee, shall pay such Taxes, or reimburse the Mortgagee therefor on demand.

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Section 3.8. Insurance Coverage. The Mortgagor, at its own expense, will insure, including during any construction and thereafter, all of the buildings and improvements now or hereafter included within the Mortgaged Property, and each and every part and parcel thereof as may be reasonably required by the Mortgagee or otherwise required to be maintained pursuant to the terms of the Master Indenture, and in any event including:

- (a) During construction (if any), all-risks package of builder's risk insurance, including owner's, contractor's, and employer's liability insurance, workmen's compensation insurance, and physical damage insurance;
- (b) Steam boiler, machinery, and other insurance of the types and in amounts not less than customarily carried by persons owning or operating like properties;
- (c) Flood insurance, where appropriate, but only if reasonably available; and
- (d) Other insurance of the types and in amounts not less than customarily carried by persons owning or operating like properties.

Section 3.9 Deposits for Taxes and Insurance Premiums. As long as there is no Event of Default outstanding under this Mortgage or the Master Indenture or if an Event of Default has occurred but has been cured, the Mortgagor shall pay all taxes and insurance premiums in accordance with the Master Indenture. Upon the occurrence of an Event of Default or upon the occurrence of an event which, but for notice or the passage of time, would constitute an Event of Default of which the Mortgagee has actual knowledge, the Mortgagee may (and, upon the written direction of all Obligation holders, shall), upon five days written notice, require the Mortgagor to deposit with the Mortgagee on the first day of each and every month, commencing with the month following the month required by the Mortgagee, an amount equal to:

- (i) If the Mortgaged Property is subject to real estate taxes, one-twelfth (1/12) of the real estate taxes next to become due upon the Mortgaged Property; provided that in the case of the first such deposit, there shall be deposited in addition an amount which, when added to the aggregate amount of monthly sums next payable under this subsection (i), will result in a sufficient reserve to pay the Taxes next becoming due one month prior to the date when such real estate taxes are due and payable; plus
- (ii) One-twelfth (1/12) of the annual premiums on each policy of insurance upon the Mortgaged Property; provided that in the case of the first such deposit, there shall be deposited in addition an amount which, when added to the aggregate amount of monthly sums next payable under this subsection (ii), will result in a sufficient reserve to pay the insurance premiums next becoming due one month prior to the date when such insurance premiums are, in fact, due and payable;

provided that the amount of such deposits (herein generally called "*Tax and Insurance Deposits*") shall be based upon the Mortgagee's reasonable estimate as to the amount of real estate taxes and insurance premiums next to be payable as provided by a Consultant

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familiar with insurance matters; and all Tax and Insurance Deposits shall be held by the Mortgagee with an allowance of interest thereon, if such interest-bearing accounts are available to the Mortgagee at no additional cost or expense to the Mortgagee. Interest on such deposits, if any, shall be retained by the Mortgagee and applied against future payments for taxes and insurance paid by the Mortgagee.

The Mortgagee shall, out of the Tax and Insurance Deposits, upon the presentation to the Mortgagee by the Mortgagor of the bills therefor, pay the insurance premiums and real estate taxes or shall, upon the presentation of receipted bills therefor, reimburse the Mortgagor for such payments made by the Mortgagor. If the total Tax and Insurance Deposits on hand shall not be sufficient to pay all of the real estate taxes and insurance premiums when the same shall become due, then the Mortgagor shall pay to the Mortgagee on demand any amount necessary to make up the deficiency and such amount shall constitute so much additional indebtedness secured hereby.

In the event of a default in any of the provisions contained herein or in the Obligations, the Mortgagee may, at its option, without being required so to do, apply any Tax and Insurance Deposits on hand in such manner as provided in Section 507 of the Master Indenture. When the indebtedness secured hereby has been fully paid, then any remaining Tax and Insurance Deposits shall be paid to the Mortgagor.

Section 3.10. Proceeds of Insurance. In case of loss covered by policies of insurance, the Mortgagee is hereby authorized at its option either (i) to settle and adjust any claim under such policies without the consent of the Mortgagor or (ii) to allow the Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss subject to the Mortgagee's reasonable consent; provided, however, that the Mortgagee shall not have the right to exercise the powers granted in this Section 3.9 unless (i) there is an Event of Default hereunder, or (ii) the estimated loss exceeds \$10,000,000. In addition, in the case where the casualty shall occur during the existence of an Event of Default, Mortgagee is hereby authorized to collect and give a receipt for any such insurance proceeds; and the reasonable expenses incurred by the Mortgagee in the adjustment and collection of insurance proceeds shall be so much additional Indebtedness secured hereby and shall be reimbursed to the Mortgagee upon demand. In the event of any casualty, the proceeds of any insurance shall be applied to repair or restore the affected Mortgaged Property unless otherwise required under the Master Indenture terms.

Section 3.11. Condemnation. In case of condemnation of any portion of the Mortgaged Property, the Mortgagee is hereby authorized at its option either (i) to settle and adjust any claim for award without the consent of Mortgagor or (ii) to allow the Mortgagor to agree with the condemning authority on the amount of award to be paid upon the taking subject to the Mortgagee's reasonable consent; provided, however, that the Mortgagee shall not have the right to exercise the powers granted in this Section 3.10 unless (i) there is an Event of Default hereunder or (ii) the estimated condemnation proceeds exceed \$10,000,000. In addition, in the case where the condemnation shall occur during the existence of an Event of Default, Mortgagee is hereby authorized to collect and give a receipt for any such condemnation awards; and the reasonable expenses incurred by the Mortgagee in the adjustment and collection of insurance

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proceeds shall be additional Indebtedness secured hereby and shall be reimbursed to the Mortgagee upon demand. In the event of any condemnation, the proceeds of any condemnation award shall be applied to repair or restore the affected Mortgaged Property unless otherwise required under the Master Indenture terms.

Section 3.12. Hazardous Materials. (a) The Mortgagor hereby indemnifies the Mortgagee, and agrees to hold the Mortgagee harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses, reasonable litigation costs and expenses (including expenses for any necessary consultants or experts) and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, the Mortgagee for, with respect to, or as a direct or indirect result of, the presence on or under or the use or the escape, seepage, leakage, spillage, discharge, emission, discharging, or release from, the Mortgaged Property of any Hazardous Material (including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Law), regardless of whether or not caused by, or within the control of, the Mortgagor, unless resulting solely from the willful or negligent act, of the Mortgagee.

(b) The Mortgagor shall provide information and certifications which the Mortgagee may reasonably request from time to time evidencing the Mortgagor's compliance with Environmental Laws and/or this Section 3.11. If at any time the Mortgagee reasonably suspects a release or threat of a release of a Hazardous Material or a violation of an Environmental Law, the Mortgagee may, in its sole discretion determine that an environmental audit and/or environmental assessment of the Mortgaged Property is necessary. The Mortgagee shall notify the Mortgagor of such request and the basis for such request and the Mortgagor shall cause, at the Mortgagor's expense, such additional investigation of the Mortgaged Property to be performed as may be reasonably required by Mortgagee and to prepare a written report of the results of such investigation. Any and all such assessments and investigations shall be performed in accordance with all governmental requirements and conditions. If the Mortgagee is not satisfied with such report or determines that further investigation is reasonably necessary, the Mortgagee may engage environmental consultants, at the Mortgagor's expense, to perform such additional investigation and the Mortgagor shall cooperate in the conduct of such investigation.

Section 3.13. Stamp Tax. If, by the laws of the United States of America, or of any state or municipality having jurisdiction over the Mortgagor or the Mortgaged Property, any tax is imposed or becomes due in respect of the issuance of the Obligations, the Mortgagor shall pay such tax in the manner required by such law.

Section 3.14. Effect of Extensions of Time and Amendments. If the payment of the Indebtedness secured hereby, or any part thereof, be extended or varied, or if any part of the security therefor be released, all Persons now or at any time hereafter liable therefor, or interested in the Mortgaged Property, 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 and effect; the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding any such extension, variation, or release. Any Person, firm, or mortgagor taking a junior mortgage or other lien upon the Mortgaged Property or any interest therein shall take the

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said lien subject to the rights of the Mortgagee to amend, modify, and supplement this Mortgage, the Obligations or the Master Indenture and to extend the maturity of the Indebtedness secured hereby, in each and every case without obtaining the consent of the holder of such junior lien and without the lien of this Mortgage losing its priority over the rights of any such junior lien.

Section 3.15. Mortgagee's Performance of the Mortgagor's Obligations. When any Event of Default has occurred and is continuing, the Mortgagee, either before or after acceleration of the Indebtedness secured hereby or the foreclosure of the lien hereof and during any period of redemption may, but shall not be required to, make any payment or perform any act herein required of the Mortgagor in any form and manner deemed expedient to the Mortgagee; and the Mortgagee may, but shall not be required to, make full or partial payments of principal or interest on any prior encumbrances 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 Property or contest any tax or assessment, and may, but shall not be required to, complete construction, rehabilitation, furnishing, and equipping of the improvements upon the Mortgaged Property and rent, operate and manage the Mortgaged Property and such improvements and pay operating costs and expenses, including without limitation management fees, of every kind and nature in connection therewith, so that the Mortgaged Property and improvements shall be operational and usable for their intended purposes. All monies paid for any of the purposes herein authorized, and all expenses paid or incurred in connection therewith, including reasonable attorneys' fees and other monies advanced by the Mortgagee to protect the Mortgaged Property and the lien hereof, or to complete construction, furnishing and equipping or to rent, operate and manage the Mortgaged Property and such improvements or to pay any such operating costs and expenses thereof or to keep the Mortgaged Property and improvements operational and usable for its intended purpose, shall be additional Indebtedness secured hereby, and shall become immediately due and payable without notice. Inaction of the Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of the Mortgagor. The Mortgagee, in making any payment hereby authorized (a) relating to taxes and assessments, may do so according to any bill, statement, or estimate, without inquiry into the validity of any tax, assessment, sale, forfeiture, tax lien, or title or claim thereof; (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; or (c) in connection with the completion of construction, rehabilitation, furnishing or equipping of the improvements or the rental, operation or management of the Mortgaged Property or the payment of operating costs and expenses thereof, may do so in such amounts and to such persons as the Mortgagee may deem appropriate.

Section 3.16. Inspection of Mortgaged Property and Records. The Mortgagee shall have the right to inspect the Mortgaged Property and all books, records and documents relating thereto (subject to applicable privacy laws) at all reasonable times, and access thereto shall be permitted for that purpose.

Section 3.17. Restrictions on Transfer. It shall be an Event of Default hereunder if (i) the Mortgagor shall create, effect, consent to or suffer or permit any conveyance, sale, assignment, lease, transfer, lien, pledge, mortgage, security interest or other encumbrance or

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alienation of the Mortgaged Property or any part thereof or interest therein, other than with either (A) a transfer, conveyance or other transaction permitted under this Mortgage or under the Master Indenture or (B) the grant of a lien constituting a Permitted Encumbrance hereunder or under the terms of the Master Indenture; (ii) any action is brought to foreclose or enforce any lien or other lien with respect to the Mortgaged Property, provided that the commencement of any such action shall not constitute an Event of Default hereunder so long as the Mortgagor shall contest such action diligently and in good faith.

Section 3.18. Mortgagor's Right of Possession. So long as the Mortgagor is in full compliance with the terms and provisions of this Mortgage, the Mortgagor shall be suffered and permitted to possess, use and enjoy the properties and appurtenances constituting the Mortgaged Property.

Section 3.19. Fixtures, Machinery and Equipment. The Mortgagor shall furnish the Mortgagee, from time to time at the Mortgagee's reasonable request written statements and schedules further identifying and describing the Fixtures, Machinery and Equipment in such detail as the Mortgagee may reasonably require.

The Mortgagor shall only transfer any assets constituting Fixtures, Machinery and Equipment in accordance with the asset transfer tests of Section 408 of the Master Indenture.

Section 3.20. Illinois Uniform Commercial Code. This Mortgage constitutes a security agreement under the UCC with respect to any part of the Mortgaged Property which may or might now or hereafter be or be deemed to be personal property, fixtures or property other than real estate (all for the purposes of this Section 3.18 called "Collateral"); all of the terms, provisions, conditions and agreements contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property comprising the Mortgaged Property; and the following provisions of this Section 3.18 shall not limit the generality or applicability of any other provision of this Mortgage but shall be in addition thereto:

(a) The Mortgagor (being the Debtor as that term is used in the UCC) is and will be the true and lawful owner of the Collateral, subject to no liens, charges or encumbrances other than Permitted Encumbrances.

(b) The Collateral is to be used by the Mortgagor solely for business purposes, being installed upon the Mortgage Property for the Mortgagor's own use or as the equipment and furnishings furnished by the Mortgagor, as landlord, to tenants of the Mortgaged Property.

(c) The Collateral will be kept at the Mortgaged Real Estate comprised within the Mortgaged Property, and will not be removed therefrom without the consent of the Mortgagee (being the Secured Party as that term is used in the Uniform Commercial Code) which consent shall not be unreasonably withheld, and the Collateral may be affixed to the Mortgaged Real Estate but will not be affixed to any other real estate.

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(d) No financing statement covering any of the Collateral or any proceeds thereof is on file in any public office (other than financing statements with respect to Permitted Encumbrances); and the Mortgagor will at its own cost and expense, upon demand, furnish to the Mortgagee such further information, execute and deliver to the Mortgagee such financing statements and other documents in form satisfactory to the Mortgagee, and do all such acts and things as the Mortgagee may at any time or from time to time reasonably request or as may be necessary or appropriate to establish and maintain a perfected security interest in the Collateral as security for the Indebtedness secured hereby, subject to no liens, charges or encumbrances other than Permitted Encumbrances. The Mortgagor will pay the cost of filing or recording such financing statements or other documents and this instrument in all public offices wherever filing or recording is deemed by the Mortgagee to be necessary or desirable.

(e) Upon any Event of Default hereunder and the continuance thereof, the Mortgagee at its option may, and if the Obligations have been accelerated, the Mortgagee shall promptly, declare the Indebtedness secured hereby immediately due and payable, all as more fully set forth in Section 4.2 hereof, and thereupon the Mortgagee shall have the remedies of a secured party under the UCC, including, without limitation, the right to take immediate and exclusive possession of the Collateral, or any part thereof, and for that purpose may, so far as the Mortgagor can give authority therefor, with or without judicial process, enter without breach of the peace upon any place that the Collateral or any part thereof may be situated and remove the same therefrom (provided that if Collateral is affixed to real estate, such removal shall be subject to the conditions stated in the UCC); and the Mortgagee shall be entitled to hold, maintain, preserve, and prepare the Collateral for sale, until disposed of, or may propose to retain the Collateral. The Mortgagee, without removal, may render the Collateral unusable and dispose of the Collateral on the Mortgaged Property. The Mortgagee may require the Mortgagor to assemble the Collateral and make it available to the Mortgagee for its possession at a place to be designated by the Mortgagee. The Mortgagee will give the Mortgagor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is made. The requirements of reasonable notice shall be met if such notice is mailed, by first class mail, postage prepaid, to the address of the Mortgagor shown in this Mortgage or in the Mortgagee's records at least ten (10) days before the time of the sale or disposition. The Mortgagee may buy at any public sale, and if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations, the Mortgagee may buy at private sale. Any such sale may be held as part of and in conjunction with any foreclosure sale of the real estate comprised within the Mortgaged Property, the Collateral and real estate to be sold as one lot if the Mortgagee so elects. The net proceeds realized upon any such disposition, after deduction for the expenses or retaking, holding, preparing for sale, selling or the like and reasonable attorney's fees and legal expenses incurred by the Mortgagee, shall be applied against the Indebtedness secured hereby.

(f) The remedies of the Mortgagee hereunder are cumulative and the exercise of any one or more of the remedies provided for herein or under the UCC shall not be construed as a waiver of any of the other remedies of the Mortgagee, including having the Collateral deemed part of the realty upon any foreclosure thereof so long as any part of the Indebtedness secured hereby remains unsatisfied.

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(g) The terms and provisions contained in this Section 3.18 shall, unless the context otherwise requires, have the meanings and be construed as provided in the UCC.

(h) This Mortgage is intended to be a financing statement within the purview of Section 9-402(6) of the UCC with respect to any items of the Collateral which are or are to become fixtures relating to the Mortgaged Property. The addresses of the Mortgagor (Debtor) and the Mortgagee (Secured Party) are set forth in Section 6.3 hereof. This Mortgage is to be filed for record with the Recorder of Deeds of the County or Counties where the Mortgaged Property is located.

Section 3.21. Assignment of Leases, Rents, and Contracts. The Mortgagor hereby bargains, sells, transfers, assigns, conveys, and delivers to the Mortgagee all of the Mortgagor's right, title, and interest in all rents, issues and profits of the Mortgaged Property, as further security for the payment of the Indebtedness secured hereby to the extent permitted by law. This assignment is absolute and is effective immediately. Notwithstanding the foregoing, until a notice is sent to the Mortgagor in writing that an Event of Default has occurred under the terms and conditions of this Mortgage (a "Notice"), the Mortgagor may receive, collect and enjoy the rents, income, and profits accruing from the Mortgaged Property.

If any Event of Default occurs hereunder, at its option, the Mortgagee may after service of a Notice, receive and collect all such rents, income, and profits as they become due, from the Mortgaged Property and under any and all leases of all or any part of the Mortgaged Property ("*Leases*"). The Mortgagee shall thereafter continue to receive and collect all such rents, income, and profits, as long as such Event(s) of Default shall exist, and during the pendency of any foreclosure proceedings.

From and after the service of a Notice, the Mortgagee is hereby vested with full power to use all measures, legal and equitable, it may deem necessary or proper to enforce this assignment and to collect the rents, income, and profits assigned hereunder, including the right of the Mortgagee or its designee to enter upon the Mortgaged Property, or any part thereof, with or without process of law, take possession (to the extent permitted by law) of all or any part of the Mortgaged Property and all personal property, fixtures, documents, books, records, papers, and accounts of the Mortgagor relating thereto, and exclude the Mortgagor and its agents and servants wholly therefrom. The Mortgagor hereby grants full power and authority to the Mortgagee to exercise all rights, privileges, and powers herein granted at any and all times after service of a Notice, without further notice to the Mortgagor, with full power to use and apply all of the rents and other income herein assigned to the payment of the costs of managing and operating the Mortgaged Property and of the Indebtedness secured hereby. The Mortgagee shall be under no obligation to exercise or prosecute any of the rights or claims assigned to it hereunder or to perform or carry out any of the obligations of the lessor under any of the Leases and does not assume any of the liabilities in connection with or arising or growing out of the covenants and agreements of the Mortgagor in the Leases. This assignment shall not operate to place responsibility for the control, care, management, or repair of the Mortgaged Property, or parts thereof, upon the Mortgagee, nor shall it operate to make the Mortgagee liable for the

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performance of any of the terms and conditions of any of the Leases, for any waste of the Mortgaged Property by any lessee under any of the Leases or any other person, for any dangerous or defective condition of the Mortgaged Property, or for any negligence in the management, upkeep, repair or control of the Mortgaged Property resulting in loss, injury, or death to any lessee, licensee, employee, or stranger.

The assignment under this Section is given as a primary pledge and assignment of the rights described herein and such assignment shall not be deemed secondary to the security interest and mortgage of the Mortgagor in the Mortgaged Property. The Mortgagee shall have the right to exercise any rights under this Section before, together with, or after exercising any other rights under this Mortgage. Nothing herein shall be deemed to obligate the Mortgagee to perform or discharge any obligation, duty, or inability of the Mortgagor under this assignment, and the Mortgagor shall and does hereby indemnify and hold the Mortgagee harmless from any and all cost (including without limitation reasonable attorneys' fees and legal expenses), liability, loss, or damage which the Mortgagee may or might incur by reason of this assignment; and any and all such cost, liability, loss, or damage incurred by the Mortgagee, including reasonable attorney's fees incurred by the Mortgagee in the defense of any claims or demands therefor (whether successful or not), shall be additional Indebtedness secured hereby, and the Mortgagor shall reimburse the Mortgagee therefor on demand.

ARTICLE IV

Defaults and Remedies Therefor

Section 4.1. Event of Default Defined. The term "Event of Default" wherever used in this Mortgage shall mean (i) Mortgagor shall default in the timely payment of any amount due to Mortgagee under the terms of the Obligations, the Master Indenture or this Mortgage and shall have failed to cure such default within one (1) business days after receipt of written notice of such default from Mortgagee, or (ii) the failure of the Mortgagor to comply with any covenant, agreement or warranty contained in this Mortgage within 30 days after the Mortgagee shall have given written notice thereof to the Mortgagor, provided that, if such default cannot with due diligence and dispatch be wholly cured within 30 days but can be wholly cured, no Event of Default shall be deemed to occur so long as Mortgagor has commenced to cure such default within said thirty (30) day period and continuously and with reasonable diligence prosecutes such cure to completion, or (iii) an "Event of Default" shall have occurred under the Master Indenture.

Section 4.2. Remedies. When any Event of Default has occurred and is continuing, the Mortgagee shall have the right and option, in its sole discretion, to exercise any one or more or all of the other remedies available to it pursuant to the following provisions of this Article IV, the terms of the Master Indenture or any other remedies available at law or in equity or by statute; it being expressly agreed that no remedy herein or in the Master Indenture is intended to be exclusive of any other remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given herein or now or hereafter existing at law or in equity or by statute.

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Section 4.3. Possession by the Mortgagee. When any Event of Default has occurred and is continuing, the Mortgagee shall, if applicable law permits, have the right to enter into and upon the Mortgaged Property and take possession thereof or to appoint an agent or trustee for the collection of the rents, issues and profits of the Mortgaged Property.

Section 4.4. Foreclosure. When any Event of Default has occurred and is continuing, the Mortgagee shall have the right to foreclose the lien hereof for the Indebtedness secured hereby or any part thereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness secured hereby in the judgment of foreclosure, all costs and expenses that may be paid or incurred by or on behalf of the Mortgagee for reasonable attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, an environmental assessment of the Mortgaged Property and any additional investigation necessitated thereby, publication costs and costs (which may be estimated as to items to be expended after entry of the judgment) of procuring all such abstracts of title, title searches and examinations, title insurance policies and similar data and assurance with respect to title, as the Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at sales which may be had pursuant to such judgment, the true conditions of the title to or the value of the Mortgaged Property. All expenditures and expenses of the nature mentioned in this Section, and such other expenses and fees as may be incurred in the protection of the Mortgaged Property and the maintenance of the lien of this Mortgage, including the reasonable fees of any attorney employed by the Mortgagee in any litigation or proceedings affecting this Mortgage, the Obligations or the Mortgaged Property, including probate, bankruptcy and appellate proceedings, or in preparation of the commencement or defense of any proceedings or threatened suit or proceeding, shall be additional Indebtedness secured hereby and shall be immediately due and payable by the Mortgagor.

Notwithstanding anything contained herein to the contrary, upon the occurrence and continuance of an Event of Default, before taking any foreclosure action or any action which may subject the Mortgagee to liability under any applicable Environmental Law, the Mortgagee may require that a satisfactory indemnity bond, indemnity or environmental impairment insurance be furnished for the payment or reimbursement of all expenses to which it may be put and to protect it against all liability resulting from any claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability) and expenses which may result from such foreclosure or other action.

Section 4.5. Receiver. Upon, or at any time after the filing of a complaint to foreclose this Mortgage, a court of competent jurisdiction may, upon the application of the Mortgagee, appoint a receiver (at the Mortgagor's expense) of the Mortgaged Property. Such appointment may be made either before or after sale, without regard to solvency or insolvency of the Mortgagor at the time of application for such receiver, and without regard to the then value of the Mortgaged Property or whether the same shall be then occupied as a homestead or not; and the Mortgagee hereunder or any employee or agent thereof may be appointed as such receiver. Such receiver shall have the power to collect the rents, issues and profits of the Mortgaged Property during the pendency of such foreclosure suit and, in case of a sale and deficiency, during the full statutory period of redemption, if any, whether there be a redemption or not, as well as during

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any further times when the Mortgagor, except for the intervention of such receiver, would be entitled to collection of 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 Property during the whole of said period. The court may, from time to time, authorize the receiver to apply the net income from the Mortgaged Property in such receiver's hands in payment in whole or in part of: (a) the Indebtedness secured hereby or the indebtedness secured by a judgment foreclosing this Mortgage, or any tax, special assessment, or other lien that may be or become superior to the lien hereof or of such judgment, provided such application is made prior to the foreclosure sale; or (b) the deficiency in case of a sale and deficiency.

Section 4.6. Application of Moneys. The proceeds of any right given or action taken under the provisions of this Article by the Mortgagee shall be distributed and applied as provided in Section 507 of the Master Indenture.

Section 4.7. Insurance Upon Foreclosure. In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in rebuilding or restoring the buildings or improvements as herein provided, shall be used to pay the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid as the court may direct. In the event of foreclosure sale, the Mortgagee is hereby authorized, without the consent of the Mortgagor, to assign any and all insurance policies to the purchaser at the sale, or to take such other steps as the Mortgagee may deem advisable to cause the interest of such purchaser to be protected by any of the said insurance policies without credit or allowance to the Mortgagor for prepaid premiums thereon.

Section 4.8. Rights Cumulative. Each right, power, and remedy herein conferred upon the Mortgagee is cumulative and in addition to every other right, power or remedy, express or implied, given now or hereafter existing, at law or in equity, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient to the Mortgagee and the exercise or the beginning of the exercise of one any right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy; and no delay or omission of the Mortgagee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

Section 4.9. Waiver of Redemption, Reinstatement, Extension, Appraisement, Stay, Laws. To the extent permitted by law, the Mortgagor will not during the continuance of any Event of Default hereunder insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage; nor claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisement of the Mortgaged Property, or any part thereof, prior to any sale or sales thereof which may be made pursuant to any provision herein contained, or pursuant to the

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decree, judgment or order of any court of competent jurisdiction; nor before or after any such sale or sales, claim or exercise any right under any statute heretofore or hereafter enacted by the United States of America or by the state to redeem the property so sold or any part thereof; and the Mortgagor hereby expressly waives all benefits or advantage of any such law or laws and covenants not to hinder, delay or impede the execution of any power herein granted or delegated to the Mortgagee, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted. The Mortgagor for itself and all who may claim through or under the Mortgagor waives any and all right to have the property and estates comprising the Mortgaged Property marshaled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold as an entirety. In the event of any sale made under or by virtue of this Mortgage, the whole of the Mortgaged Property may be sold in one parcel as an entirety or in separate parcels at the same or different times, all as the Mortgagee may determine. The Mortgagor waives the right of redemption and, to the extent permitted by law, the right of reinstatement, under the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101.

ARTICLE V

Supplements and Amendments to this Mortgage; Release and Substitution of Mortgaged Property

Section 5.1 Supplements and Amendments to this Mortgage. The Mortgagor, with the consent of the Mortgagee, may from time to time enter into such supplements and amendments to this Mortgage as they may deem necessary or desirable to effectuate the purposes or intent hereof; provided, however, that no such amendment shall be effective if not adopted in accordance with the terms of the Master Indenture.

Section 5.2 Conditions for Release. So long as no Event of Default shall have occurred and be continuing under this Mortgage or under the Master Indenture, the Mortgagee shall release:

- (a) Fixtures, Machinery and Equipment in accordance with Section 3.19 hereof;
- (b) Mortgaged Real Estate upon receipt by the Mortgagee of the following:
 - (A) A written request of the Mortgagor for such release, describing the Mortgaged Real Estate to be released (referred to in this Article V as the "*Released Property*") and the property to be substituted for the Released Property pursuant to the terms hereof which may include cash (referred to in this Article V as the "*Substituted Property*");
 - (B) A certificate of the Mortgagor to the Mortgagee demonstrating compliance with the Master Indenture, as amended and supplemented, certifying that the release of the Released Property and all transactions related thereto will

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not result in an Event of Default under the Master Indenture, as amended and supplemented, or the occurrence of any event which with notice or the passage of time or both could become such an Event of Default and certifying:

1. The disposition to be made of the Released Property and the consideration (which may include cash) to be received for the Released Property and the fair market value of consideration other than cash;

2. The fair market value of the Released Property and of the Substituted Property other than cash and the amount of cash included in the Substituted Property pursuant to the terms hereof;

3. That the disposition of the Released Property and the substitution therefor of the Substituted Property will not materially adversely affect the operations of the Mortgagor's health care facilities or any other property of the Mortgagor;

4. That the Substituted Property other than cash or investment securities is necessary or useful to the operation of the Mortgagor's health care facilities;

5. That the fair market value of the Substituted Property other than cash, together with cash, if any, included in the Substituted Property is at least equal to the fair market value of the Released Property;

6. That the execution and delivery of the release by the Mortgagee and the subjection of the Substituted Property to the lien of this Mortgage will not result in a default hereunder or under the Master Indenture;

7. That all permits and authorizations of all federal, state and local governmental bodies and agencies have been granted to effect such disposition or that no such permits or authorizations are required; and

8. No default or Event of Default shall exist and be continuing hereunder and no event shall have occurred which would become an Event of Default upon the giving of notice and/or passage of time.

(C) An appraisal of the fair market value of the Released Property by a member of the American Institute of Real Estate Appraisers (an "MAI Appraiser") if the Released Property is real property, or by another expert acceptable to the Mortgagee if the Released Property is not real property; provided, however, that no such appraisal shall be required for the release of Released Property with an aggregate book value of \$500,000 or less;

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(D) An appraisal of the fair market value of the Substituted Property (other than cash) by an MAI Appraiser if the Substituted Property is real property, or by another expert acceptable to the Mortgagee if the Substituted Property is not real property; provided, however, that no such appraisal shall be required for the substitution of Substituted Property with an aggregate book value of \$500,000 or less;

(E) A supplement to this Mortgage and to the Master Indenture (if necessary) and other documents reasonably requested by, and in form satisfactory to, the Mortgagee necessary to subject the Substituted Property to the lien of this Mortgage and, if the Substituted Property is real property, an endorsement to the existing ALTA mortgage loan policy or an additional mortgagee's loan insurance policy evidencing that the Substituted Property is subject to the lien of this Mortgage subject only to Permitted Encumbrances;

(F) If the fair market value of the Released Property when added to the fair market value of other Property released pursuant to the provisions of this Article V within the same 12-month period is in excess of \$1,500,000, a certificate of a Consultant acceptable to the Mortgagee to the effect set forth in paragraph (b)(B)(3) of this Section 5.2; and

(G) An opinion addressed to the Mortgagee from Counsel satisfactory to the Mortgagee to the effect that:

1. The release of the Released Property requested by the Mortgagor is authorized hereunder;

2. The Substituted Property is subject to the lien of this Mortgage, subject only to Permitted Encumbrances;

3. The execution and delivery of the requested release and the acceptance of the Substituted Property will not violate any provisions of this Mortgage or of the Master Indenture; all necessary actions required to be taken by the Mortgagor and the Mortgagee to effect the release of the Released Property and the conveyance of the Substituted Property has been taken;

4. The supplemental amendment hereto, the supplemental indenture to the Master Indenture, if required, and all other documents required to effect the release of the Released Property and substitution therefor of the Substituted Property have been duly authorized, executed and delivered and are binding upon the parties executing and delivering the same in accordance with their respective terms (subject to customary exceptions for laws affecting creditors' rights and the applicability of equitable principles); and

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5. To the knowledge of such Counsel, all permits and authorizations of all federal, State and local governmental bodies and agencies required for such release of Released Property have been granted, or no such permits or authorizations are required; or

The foregoing notwithstanding, if the Mortgagor shall pay or cause to be paid all Indebtedness secured hereby and the Master Indenture is defeased in accordance with Section 801 thereof, this Mortgage shall be deemed released and the Mortgagee shall cooperate with the Mortgagor to take any and all action appropriate to evidence such release.

(c) Anything in this Section 5.2 notwithstanding, the Mortgagee shall consent to the removal from the coverage or the lien and security interest created by this Mortgage of any Mortgaged Real Property or Fixtures, Machinery and Equipment which has been subject hereto by reason of an error or mistake provided the Mortgagor files with the Mortgagee notice of its intention to remove such property at least ten business days prior to such removal.

Section 5.3. Disposition of Substituted Property. The Mortgagor agrees that (i) the Mortgagee shall invest any cash delivered to it as Substituted Property in Permitted Investments (as defined in the Master Indenture) pursuant to a written request of the Mortgagor, and any such cash and Permitted Investments shall be held by the Mortgagee in a separate trust account for the benefit and security of the outstanding Obligations; (ii) all income from Permitted Investments pursuant to this Section 5.3 shall be added to the funds held pursuant to this Section 5.3; (iii) funds from time to time on deposit with the Mortgagee pursuant to this Section 5.3 shall be used to make up any deficiencies in the amount available to pay when due the principal, interest and redemption premium on any Obligations, and to the extent funds are used to make up such deficiencies, the Mortgagor will make payment directly to the Mortgagee for deposit in such trust account in the amount of any such deficiencies forthwith; (iv) upon conveyance and delivery to the Mortgagor of Substituted Property within three years of the date of initial deposit in such trust account of moneys constituting Substituted Property, and upon compliance with the terms and provisions of Section 5.2 hereof, such moneys may be released in return for other Substituted Property; and (v) at the end of such three-year period or upon written request of the Mortgagor and provided that no Event of Default shall have occurred and be continuing under the Master Indenture or this Mortgage and no event shall have occurred which would become such an Event of Default upon the giving of notice and/or the passage of time, any funds held by the Mortgagee pursuant to this Section 5.3 shall be applied by the Mortgagee to redeem or purchase Obligations in accordance with Article II of the Master Indenture.

Section 5.4. Obsolete Property. Notwithstanding anything to the contrary contained in this Article V, the Mortgagor shall have the right, exercised in its good faith and reasonable judgment, to remove from the Mortgaged Real Estate any items of Collateral that are obsolete, inoperable or worn out and to sell, trade in, exchange or otherwise dispose of such items of

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Collateral (as a whole or in part), and such Collateral shall be released from the lien of this Mortgage.

ARTICLE VI

Miscellaneous Provisions

Section 6.1. Mortgage for Benefit of Parties Hereof. Nothing in this Mortgage, express or implied, is intended or shall be construed to confer upon, or to give to, any person other than the parties hereto and the holders of the Obligations, any right, remedy or claim under or by reason of this Mortgage or any covenant, condition or stipulation hereof; and the covenants, stipulations and agreements in this Mortgage contained are and shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns and the holders of the Obligations.

Section 6.2. Severability. In case any one or more of the provisions contained in this Mortgage or in the Obligations shall be invalid, illegal or unenforceable in any respect the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby.

Section 6.3. Immunity of Officers and Employees of the Mortgagor. No recourse shall be had for the payment of the principal or of premium or interest on the Obligations or for any claim based thereon or upon any representation obligation, covenant or agreement in this Mortgage contained against any past, present or future officer, director, member, employee or agent of the Mortgagee or Mortgagor or, respectively, of any successor public or private corporation thereto, as such, either directly or through the Mortgagee, the Mortgagor or, respectively, any successor public or private corporation thereto, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, employees, directors or agents, as such, is hereby expressly waived and released as a condition of and consideration for the execution of this Mortgage and the issuance of the Obligations.

Section 6.4. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when personally delivered or mailed by registered or certified mail, postage prepaid, return receipt requested, with proper address as indicated below. The Mortgagor and the Mortgagee may, by written notice given by each to the other, designate any address or addresses to which notices, certificates or other communications to them shall be sent when required as contemplated by this Mortgage. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

To the Mortgagor:

St. Joseph Hospital
c/o Resurrection Health Care Corporation

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7435 West Talcott Avenue
Chicago, Illinois 60631
Attention: Chief Financial Officer

With a copy to:

Resurrection Health Care Corporation
7435 West Talcott Avenue
Chicago, Illinois 60631
Attention: Chief Financial Officer

To the Mortgagee:

The Bank of New York Mellon Trust Company, N.A., as Master Trustee
2 North LaSalle Street, Suite 1020
Chicago, Illinois 60602
Attention: Global Corporate Trust Midwest

Section 6.5. Successors and Assigns. Whenever in this Mortgage any of the parties hereto is named or referred to, the successors and assigns of such party shall be deemed to be included and all the covenants, promises and agreements in this Mortgage contained by or on behalf of the Mortgagor, or by or on behalf of the Mortgagee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 6.6. Governing Law. It is the intention of the parties hereto that this Mortgage and the rights and obligations of the parties hereunder and the Obligations and the rights and obligations of the parties thereunder, shall be governed by and construed and enforced in accordance with, the laws of the State of Illinois.

Section 6.7. Conflicts with Master Indenture. In the event any of the terms or provisions hereof conflict with the Master Indenture, the Master Indenture shall control to the extent it applies to the Mortgagor or the ownership, operation or use of any of the Mortgaged Property.

Section 6.8. Subordination of Property Manager's Lien and Real Estate Broker's Lien. Any property management agreement for the Mortgaged Property entered into hereafter by Mortgagor with a property manager shall contain a "no lien" provision whereby the property manager waives and releases any and all mechanics' lien rights that the property manager may have pursuant to the Illinois Mechanics Lien Act, 770 ILCS 60/1 et seq. Such property management agreement, or a short form thereof, shall, at the Mortgagee's request, be recorded with the Recorder of Deeds of the county where the Mortgaged Property is located. In addition, Mortgagor shall cause the property manager to enter into a subordination of management agreement with the Mortgagee, in recordable form, whereby the property manager subordinates present and future lien rights and those of any party claiming by, through or under the property manager, to the lien of this Mortgage. Any agreement entered into hereafter by Mortgagor with

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any "broker" (as defined in the Real Estate License Act of 2000, 225 ILCS 454/1 et seq.) that is an affiliate of Mortgagor for the purpose of selling, leasing or otherwise conveying an interest in the Mortgaged Property shall contain a "no lien" provision whereby such broker waives and releases any and all lien rights that such broker or anyone claiming by, through or under such broker may have pursuant to the Commercial Real Estate Broker Lien Act, 770 ILCS 15/1 et seq. The Mortgagor shall cause each such broker to enter into a subordination agreement with the Mortgagee, in recordable form, whereby such broker, on its own behalf and on behalf of any party claiming by, through or under such broker, subordinates present and future lien rights to the lien of this Mortgage.

Section 5.9. Total Indebtedness Secured. The total amount of the Indebtedness secured hereby may increase or decrease from time to time, but the secured indebtedness at any one time shall not exceed \$750,000,000. It is agreed that any Obligations currently outstanding and any future Obligations issued under the Master Indenture, made at any time from and after the date of this Mortgage, and all interest accruing thereon, shall be equally secured by the Mortgage and shall have the same priority as all Obligations issued as of the date hereof and shall be subject to all of the terms and provisions of this Mortgage. This Mortgage shall be valid and have priority to the extent of the secured Obligations over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Mortgaged Property given priority by law.

Section 6.10. Adjustable Mortgage Loan Provision. The Obligations which this Mortgage secures include adjustable notes on which the interest rate may be adjusted from time to time in accordance with the terms and provisions set forth in the Obligations.

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IN WITNESS WHEREOF, the Mortgagor has caused this Mortgage to be executed by its duly authorized officers, all as of the date first above written.

ST. JOSEPH HOSPITAL, an Illinois not for profit corporation

By: *Sandra Bruce*

Name: Sandra Bruce

Title: President

Property of Cook County Clerk's Office
COOK COUNTY
RECORDS OF DEEDS
SCANNED BY _____
COOK COUNTY
RECORDS OF DEEDS
CLERK'S OFFICE

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Sandra Bruce, the President of St. Joseph Hospital, an Illinois not for profit corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me in person and acknowledged that she signed and delivered said instrument as her own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal this 26 day of May, 2010.

[SEAL]  Florita De Jesus-Ortiz
Notary Public

My Commission Expires:

(SEAL) 

Proprietor of Cook County Clerk's Office

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Schedule of Exhibits

- (1) Exhibit A Legal Description of St. Joseph Real Estate.

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

Property of Cook County Clerk's Office

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EXHIBIT A

LEGAL DESCRIPTION OF REAL ESTATE

PARCEL 1:

THAT PART OF LOTS 5 AND 6 (TAKEN AS A TRACT) WHICH LIES BETWEEN THE EAST LINE OF COMMONWEALTH AVENUE ON THE WEST AND THE WEST BOUNDARY LINE OF LAKE SHORE DRIVE, SOUTH OF THE CENTER LINE OF SURF STREET (EXCEPT PART FALLING IN SURF STREET) IN THE ASSESSOR'S DIVISION OF LOTS 1 AND 2 OF CITY OF CHICAGO SUBDIVISION IN THE EAST FRACTIONAL ONE HALF (1/2) OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS (EXCEPT THE SOUTH 60 FEET).

PARCEL 2:

ALL THAT PART OF LOTS 3 AND 4 OF ASSESSOR'S DIVISION OF LOTS 1 AND 2 IN THE SUBDIVISION BY THE CITY OF CHICAGO OF THE EAST FRACTIONAL HALF OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN WHICH LIES BETWEEN THE EASTERLY LINE OF COMMONWEALTH AVENUE ON THE WEST, OAKDALE AVENUE ON THE NORTH, THE BOUNDARY BETWEEN THE LAND OF LINCOLN PARK COMMISSIONERS AND THE LAND OF THE SHORE OWNERS, AS ESTABLISHED BY DECREE OF THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS, ENTERED OCTOBER 31, 1904 IN CASE 256886, ENTITLED AUGUSTA LEHMANN AND OTHERS, AGAINST LINCOLN PARK COMMISSIONERS BEING SUBSTANTIALLY THE WEST LINE OF LAKE SHORE DRIVE ON THE EAST AND SURF STREET ON THE SOUTH (EXCEPT THAT PART THEREOF TAKEN OR CONDEMNED FOR COMMONWEALTH AVENUE AND EXCEPT 18 FOOT STRIP FOR ALLEY).

PARCEL 3:

THAT PART OF THE 18 FOOT STRIP OF LAND FORMERLY DEDICATED FOR ALLEY PURPOSES AND MARKED "ALLEY BY DEED" AND RUNNING EAST AND WEST THROUGH THE FOLLOWING DESCRIBED PREMISES:
ALL THAT PART OF LOTS 3 AND 4 OF ASSESSOR'S DIVISION OF LOTS 1 AND 2 IN THE SUBDIVISION BY THE CITY OF CHICAGO OF THE EAST FRACTIONAL HALF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN WHICH LIES BETWEEN THE EASTERLY LINE OF COMMONWEALTH AVENUE ON THE WEST, OAKDALE AVENUE ON THE NORTH, THE BOUNDARY BETWEEN THE LAND OF LINCOLN PARK COMMISSIONERS AND THE LAND OF THE SHORE OWNERS AS ESTABLISHED BY DECREE OF THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS, ENTERED OCTOBER 31, 1904 AS CASE 256886 ENTITLED AUGUSTA LEHMANN AND OTHERS, AGAINST LINCOLN PARK COMMISSIONERS, BEING SUBSTANTIALLY THE WEST LINE OF LAKE SHORE DRIVE ON THE EAST, AND SURF STREET ON THE SOUTH (EXCEPT THAT PART THEREOF TAKEN OR CONDEMNED FOR THE COMMONWEALTH AVENUE) WHICH ALLEY LIES BETWEEN

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LOT 9 ON THE NORTH AND LOTS 10, 11 AND 12 ON THE SOUTH OF THE COUNTY CLERK'S DIVISION OF LOTS 2, 3 AND 4 AND THE SOUTH 33 FEET OF LOT 1 OF ASSESSOR'S DIVISION AFORESAID.

PARCEL 4:

THAT PART OF SURF STREET (AND SAID SURF STREET EXTENDED EAST) WHICH LIES BETWEEN THE EASTERLY LINE OF COMMONWEALTH AVENUE ON THE WEST, THE SOUTH LINE OF LOT 12, (AND SAID SOUTH LINE EXTENDED EAST), OF THE COUNTY CLERK'S DIVISION OF LOTS 2, 3 AND 4 AND THE SOUTH 33 FEET OF LOT 1 OF THE ASSESSOR'S DIVISION AFORESAID ON THE NORTH, THE BOUNDARY BETWEEN THE LAND OF LINCOLN PARK COMMISSIONER AND THE LAND OF THE SHORE OWNERS, AS ESTABLISHED BY DECREE OF THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS, OCTOBER 31, 1904 IN CASE 256886 ENTITLED AUGUSTA LEHMANN AND OTHERS, AGAINST LINCOLN PARK COMMISSIONERS, BEING SUBSTANTIALLY THE WEST LINE OF LAKE SHORE DRIVE, ON THE EAST AND THE NORTH LINE OF LOT 5 (AND SAID NORTH LINE EXTENDED EAST) OF THE ASSESSOR'S DIVISION OF LOTS 1 AND 2 AFORESAID, ON THE SOUTH, ALL IN COOK COUNTY ILLINOIS.

PARCEL 5

THAT PART OF LOTS 5 AND 6 IN ASSESSOR'S DIVISION OF LOTS 1 AND 2 IN SUBDIVISION BY CITY OF CHICAGO OF EAST FRACTIONAL HALF OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, WHICH LIES BETWEEN SHERIDAN ROAD (FORMERLY LAKEVIEW AVENUE) ON THE WEST, COMMONWEALTH AVENUE ON THE EAST (EXCEPTING THEREFROM THAT PART LYING SOUTH OF A STRAIGHT LINE OF DRAWN FROM A POINT ON THE EAST LINE OF SAID NORTH SHERIDAN ROAD WHICH IS 228 FEET 4-3/16 INCHES NORTH OF THE NORTH LINE OF WEST DIVERSEY PARKWAY TO A POINT ON THE WEST LINE OF SAID NORTH COMMONWEALTH AVENUE WHICH IS 227 FEET 10 INCHES NORTH OF NORTH LINE OF SAID WEST DIVERSEY PARKWAY AND SAID STRAIGHT LINE PRODUCED WEST TO CENTER LINE OF SAID NORTH SHERIDAN ROAD AND PRODUCED EAST TO CENTERLINE OF SAID NORTH COMMONWEALTH AVENUE); IN COOK COUNTY, ILLINOIS.

PROPERTY COMMONLY KNOWN AS: 2900 N. LAKE SHORE DRIVE, CHICAGO, ILLINOIS (ST. JOSEPH HOSPITAL)

PINs: 14-28-205-001-0000; 14-28-205-002-0000; 14-28-206-004-0000; 14-28-207-001-0000