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Property of Cook County

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EHB-0003
2/18/85

LEASE HOLD TRUST DEED, SECURITY AGREEMENT
AND FINANCING STATEMENT

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THIS TRUST DEED, SECURITY AGREEMENT AND FINANCING STATEMENT (the "Mortgage") is made as of the 24 day of February, 1985, by and among Lake Shore National Bank, not individually but as Trustee under a Trust Agreement dated November 30, 1984, and known as Trust No. 4967, whose mailing address is c/o James C. Caraher, 135 South LaSalle Street, Suite 711 Chicago, Illinois 60603 (the "Mortgagor"), and CHICAGO TITLE AND TRUST COMPANY, an Illinois corporation (the "Trustee"), whose mailing address is c/o M & J Wilkow, Ltd., 123 North Michigan Avenue, Suite 600, Chicago, Illinois 60601.

WITNESSETH:

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THAT WHEREAS the Mortgagor is justly indebted to the legal holders of the Mortgage Notes hereinafter described (said legal holders being herein collectively referred to as the "Holder" or the "Mortgagee") in the principal sums of SEVEN HUNDRED SEVEN THOUSAND TWO HUNDRED NINETEEN AND NO/100 DOLLARS (\$707,219.00) and TWO MILLION TWO HUNDRED NINETY-TWO SEVEN HUNDRED EIGHTY-ONE AND NO/100 DOLLARS (\$2,292,781.00), respectively, evidenced by those certain MORTGAGE NOTES of Mortgagor of even date herewith (collectively the "Note") whereby the Mortgagor promises to pay the said principal sums, late charges, other non-principal charges and interest at the rate or rates and in installments, all as provided in the Note, with a portion of the interest thereon accruing and not paid currently but added to the principal balance thereof as set forth in the Note. The final payment of principal and interest, if not sooner paid, shall be due on September 1, 1992. All monthly payments on account of the indebtedness evidenced by the Note shall be applied first to accrued and unpaid interest on the outstanding principal balance thereof and second to the outstanding principal balance thereof. All payments shall be paid at such place as the Holder may from time to time, in writing, appoint, and in absence of such appointment, then as set forth in the Note; and

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NOW, THEREFORE, the Mortgagor, to secure (i) payment of the principal sum of money and said interest and late charges and other non-principal charges in accordance with the terms, provisions and limitations of the Mortgage and of the Note and (ii) payment and performance of the covenants and agreements contained herein and in other documents securing the indebtedness due under the Note and also in consideration of the sum of ONE DOLLAR (\$1.00) in hand paid, the receipt whereof is hereby acknowledged, does by these presents MORTGAGE, GRANT, REMISE, RELEASE, ALIEN AND CONVEY unto the Trustee and its successors and assigns, the leasehold interest in the following described real estate and all of its present and hereafter-acquired estate, right, title and interest therein, situated, lying and being in the County of Cook and State of Illinois to-wit:

THIS INSTRUMENT WAS PREPARED BY
AND SHOULD BE RETURNED TO:

Elizabeth H. Belkin, Esq.
Friedman & Koven
208 South LaSalle Street
Suite 900
Chicago, Illinois 60604

RETURN TO
D. SHOUP
NTS

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SEE LEGAL DESCRIPTION ATTACHED HERETO
AND MADE A PART HEREOF AS EXHIBIT "A"

TOGETHER with:

(i) All buildings, improvements, tenements, easements, fixtures and appurtenances (as more fully described in Paragraph 27 hereof) thereto belonging, and all issues and profits thereof for so long and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said leasehold interest in the real estate and not secondarily), and all shades, awnings, venetian blinds, screens, screen doors, storm doors and windows, stoves and ranges, refrigerators, curtain fixtures, partitions, attached floor covering owned by Mortgagor, now or hereafter therein or thereon and all fixtures, apparatus (as more fully described in Paragraph 27 hereof), equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, sprinkler protection, waste removal, refrigeration (whether single units or centrally controlled), material handling and ventilation, including (without restricting the foregoing): all fixtures, apparatus, (as more fully described in Paragraph 27 hereof), equipment and articles, other than such as constitute trade fixtures used in the operation of any business conducted upon the Premises (as hereinafter defined, as distinguished from fixtures which relate to the lease, occupancy and enjoyment of the Premises, it being understood that the enumeration of any specific articles of property shall in no wise exclude or be held to exclude any items of property not specifically mentioned; and

(ii) All rights and benefits of whatsoever nature derived or to be derived by Mortgagor under or by virtue of the ground lease described in Exhibit "A" attached hereto (the "Ground Lease") including, without limitation, all rights to security and rent deposits under Article 2 of the Ground Lease and the right to exercise options, to give consents and to receive monies payable to the lessee thereunder; and

(iii) Each sublease under the leasehold estate ("Leasehold Estate") created by the Ground Lease, or under any part of the Leasehold Estate now or hereafter entered into by Mortgagor, the subversions under each sublease and all rights and benefits to be derived therefrom by Mortgagor; and

(iv) All right, title and interest that Mortgagor may now have or may hereafter acquire in and to the land described in Exhibit "A";

(v) All rights and benefits of whatsoever nature derived or to be derived by Mortgagor under or by virtue of the Garage Sublease described in Exhibit "A" attached hereto ("Garage Sublease") including, without limitations, all rights, to security and rent deposits, if any, the right to exercise options, to give consents and to receive monies payable to the lessee thereunder.

TOGETHER with all right, title and interest of Mortgagor in and to the aforesaid land;

TOGETHER with all the right, title and interest of Mortgagor in the tenements, hereditaments, appurtenances and all the estates and rights of Mortgagor in and to the said land;

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TOGETHER with all the right, title and interest of Mortgagor in and to all streets, roads and public places, opened or proposed, adjoining the said land, and all easements and rights of way, public or private, now or hereafter used in connection therewith;

TOGETHER with all right, title and interest of Mortgagor, now owned or hereafter acquired, in and to any land lying in the bed of any street, road or avenue, open or proposed, in front of or adjoining the said land to the extent of the interest of Mortgagor therein, now or hereafter acquired;

TOGETHER with all right, title and interest of Mortgagor, now owned or hereafter acquired, in and to any and all sidewalks and alleys, and all strips and gores of land, adjacent to or used in connection with the said land;

TOGETHER with all right, title and interest of the Mortgagor in and to the reversions, remainders, issues and profits arising or issuing from the said land and from the improvements thereon, including, but not limited to, the issues and profits arising or issuing from all leases and subleases now or hereafter entered into covering all or any part of said land and/or the improvements, all of which leases, subleases, issues and profits are hereby assigned and, if requested by Trustee, shall be caused to be further assigned to Trustee by Mortgagor. The foregoing assignment shall include without limitation, cash or securities deposited under leases to secure performance by lessees of their obligations thereunder, whether such cash or securities are to be held until the expiration of the terms of such leases or applied to one or more installments of rent coming due prior to the expiration of such terms. Mortgagor, or any officer of Mortgagor, is hereby irrevocably appointed attorney-in-fact for Mortgagor to collect such issues and profits after default by Mortgagor. Mortgagor will execute and deliver to Mortgagor on demand such assignments and instruments as Mortgagor may require to implement, confirm, maintain and continue the assignment hereunder;

TOGETHER with all right, title and interest of the Mortgagor in and to any and all awards, damages, payments and other compensation and any and all claims therefor and rights thereto which may result from taking or injury by virtue of the exercise of the power of eminent domain of or to, or any damage, injury or destruction in any manner caused to, the said land, the improvements, or any part thereof, or from any change of grade or vacation of any street abutting thereon, all of which awards, damages, payments, compensation, claims and rights are hereby assigned, transferred and set over to Trustee to the fullest extent that Mortgagor may under the law so do. Trustee is hereby irrevocably appointed attorney-in-fact for Mortgagor to settle for, collect and receive any such awards, damages, payments and compensation from the authorities making the same, to appear in and prosecute any proceeding therefor, and to give receipts and acquittances therefor;

TOGETHER with all of Mortgagor's right, title and interest in and to all contracts and agreements relative to the said land and to the construction, use and occupancy of the improvements;

TOGETHER with all right, title and interest of Mortgagor in and to all unearned premiums accrued, accruing or to accrue under any and all insurance policies now or hereafter obtained by Mortgagor; and

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TOGETHER with all proceeds of the conversion, voluntary or involuntary, of any or all of the foregoing into cash or liquidated claims, including without limitation, proceeds of insurance and condemnation awards.

ALL of which property and rights therein hereinabove described or mentioned being hereinafter collectively called, the "Premises" or "Mortgaged Property".

All of the land, estate and property hereinabove described, real, personal and mixed, whether affixed or annexed or not (except where otherwise hereinabove specified) and all rights hereby conveyed and mortgaged are intended so to be a unit and are hereby understood, agreed and declared to form a part and parcel of the Leasehold Estate and to be appropriated to the use of the Leasehold Estate and shall for the purposes of this Mortgage be deemed to be the Leasehold Estate and conveyed and mortgaged hereby.

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

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

Maintenance, Repair and Restoration of Improvements,
Payments of Prior Liens, etc.

1. Mortgagor shall: (a) promptly repair, restore or rebuild any buildings and other improvements now or hereafter on the Premises which may become damaged or destroyed to substantially the same character as prior to such damage or destruction without regard to the availability or adequacy of any casualty insurance proceeds or eminent domain awards; (b) keep the Premises in good condition and repair, without waste; (c) keep the Premises free from mechanics' liens or other liens or claims for lien not expressly subordinated to the lien hereof, subject however to the rights of the Mortgagor set forth in Paragraph 1A below; (d) immediately pay when due any indebtedness which may be secured by a lien or charge on the Premises on a parity with or superior to the lien hereof (no such lien, except for general real estate taxes and special assessments which are a lien but not yet due and payable, to be permitted hereunder), and upon request exhibit satisfactory evidence of the discharge of such lien to Mortgagee subject, however, to rights of Mortgagor set forth in Paragraph 1A below; (e) complete within a reasonable time any building(s) or other improvements now or at any time in process of erection upon the Premises; (f) comply with all federal, state and local requirements of law, regulations, ordinances, orders and judgments and all covenants, easements and restrictions of record with respect to the Premises and the use thereof; (g) make no structural alterations in the Premises costing in excess of \$100,000.00 without Mortgagee's prior written consent, which consent shall not be unreasonably withheld; (h) suffer or permit no change in the general nature of the occupancy of the Premises without Mortgagee's prior written consent; (i) not initiate or acquiesce in any zoning variation or reclassification without Mortgagee's prior written consent; (j) observe and comply with all conditions and requirements (if any) necessary to preserve and extend all rights, licenses, permits (including without limitation zoning variations and any non-conforming uses and structures), privileges, franchises and concessions applicable to the Premises or contracted for in connection with any present or future use of the Premises; and (k) pay each item of indebtedness and perform each

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obligation secured by this Mortgage when due according to the terms hereof and of the Note. As used in this Paragraph 1 and elsewhere in this Mortgage, the term "Indebtedness" means and includes the unpaid principal sum evidenced by the Note, together with all interest, additional interest, late charges and all other sums at any time secured by this Mortgage.

Right to Contest; Grace Periods.

1A. The matters referred to in Paragraph 1(c) of this Mortgage and real estate taxes and special assessments are sometimes hereinafter collectively referred to as "Liens". Anything in Paragraphs 1(c), 1(d) or 1(e) of this Mortgage to the contrary notwithstanding, Mortgagor may, in good faith and with reasonable diligence, contest the validity or amount of any Liens not expressly subordinated to the lien hereof, and defer payment and discharge thereof during the pendency of such contest, provided: (i) that such contest shall have the effect of preventing the sale or forfeiture of the Premises or any part thereof, or any interest therein, to satisfy any such Liens; (ii) that, within ten (10) days after Mortgagor has been notified of the assertion of any such Liens, Mortgagor shall have notified Mortgagee in writing of Mortgagor's intention to contest any such Liens; and (iii) that Mortgagor shall have deposited with Mortgagee at such place as Mortgagee may from time to time in writing appoint, and in the absence of such appointment then at the office of M & J Wilkow, Ltd., 180 North Michigan Avenue, Suite 600, Chicago, Illinois 60601, a sum of money which shall be sufficient in the reasonable judgment of Mortgagee to pay in full any such Liens and all interest which might become due thereon, and shall keep on deposit an amount so sufficient at all times, including such amount to cover additional interest whenever, in the reasonable judgment of Mortgagee, such increase is advisable. Such deposits are to be held without any allowance of interest to Mortgagor. If Mortgagor shall fail to prosecute such contest with reasonable diligence or shall fail to pay the amount of any Liens plus any interest finally determined to be due upon the conclusion of such contest, to the extent such amount exceeds the amount which Mortgagee will pay as provided below, or shall fail to maintain sufficient funds on deposit as hereinabove provided, Mortgagee may, at its option, apply the money so deposited in payment of or on account of any such Liens, or that part thereof then unpaid, together with all interest thereon. If the amount of money so deposited shall be insufficient for the payment in full of any such Liens, together with all interest thereon, Mortgagor shall forthwith, upon demand, deposit with Mortgagee a sum which, when added to the funds then on deposit, shall be sufficient to make such payment in full. Mortgagee shall, upon the final disposition of such contest, apply the money so deposited in full payment of any such Liens or that part thereof then unpaid, together with all interest thereon when so requested in writing by Mortgagor and when furnished by Mortgagor with sufficient funds to make such payment in full and when evidence satisfactory to Mortgagee of the amount of the payment to be made.

1B. Notwithstanding anything contained in this Mortgage to the contrary, Mortgagor shall not be in default hereunder if Mortgagor shall cure any default with respect to any Liens within the following grace periods, which grace periods are intended to be concurrent, and not cumulative with any other grace period contained in any other documents delivered to evidence or secure the Indebtedness:

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(i) Ten (10) days after default of any monetary obligation with respect to any liens (no notice to Mortgagor being required); and

(ii) Thirty (30) days after notice to Mortgagor in case of a default of any non-monetary obligation with respect to any Liens, or, if such cure cannot be effected reasonably within such time, then Mortgagee shall be afforded an additional period of time within which to cure such default, provided that Mortgagor is diligently and continuously proceeding to prosecute the curing of such default to completion.

Payment of Taxes and Ground Lease Expenses.

2. Mortgagor shall pay all general taxes before any penalty or interest attaches, and shall pay special taxes, special assessments, water charges, sewer service charges, and all other charges against the Premises or mentioned in and made payable by said Ground Lease of any nature whatsoever when due, and shall upon written request, furnish to Mortgagee duplicate receipts therefor within thirty (30) days following the date of payment. The foregoing and anything else in this Mortgage notwithstanding, in the event that (a) the sum of (i) the final assessed value of the Premises actually applied for purposes of calculating the amount of real estate taxes due with respect to the Premises for the year 1984 (payable in 1985) multiplied by (ii) the final equalization factor actually applied for purposes of calculating the amount of real estate taxes due with respect to the Premises for the year 1983 (payable in 1984) multiplied by (iii) the final tax rates actually extended by the Cook County Clerk for purposes of calculating the amount of real estate taxes due with respect to the Premises for the year 1983 (payable in 1984) (said sum herein referred to as the "Projected Tax Bill") exceeds the sum of ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) and (b) the actual real estate tax bill issued for real estate taxes due with respect to the Premises (the "Actual Tax Bill") for the year 1984 (payable in 1985) exceeds the sum of ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00), at the time real estate taxes with respect to the Premises for the years 1984 (payable in 1985), 1985 (payable in 1986), 1986 (payable in 1987) and 1987 (payable in 1988), respectively, are due and payable Mortgagor shall be entitled to a credit against the amount of interest (paid or accrued) next due under the Note equal to seventy percent (70%) of the difference between the amount by which the final Actual Tax Bill for 1984 as same may be reduced by protest or otherwise exceeds the sum of ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) but not to exceed seventy percent (70%) of the amount by which the Projected Tax Bill exceeds the sum of ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00).

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Tax Deposits.

3. Mortgagor shall deposit in a segregated interest-bearing account with the Mortgagee or such depository ("Depository") as the Mortgagee may from time to time in writing appoint, and in the absence of such appointment, then at the office of M & J Wilkow, Ltd., 180 North Michigan Avenue, Suite 600, Chicago, Illinois 60601, commencing on the date of disbursement of the proceeds of the loan secured hereby and on the first day of each month following the month in which said disbursement occurs, a sum equal to the amount of all real estate taxes and assessments (general and special)

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next due upon or for the Premises (the amount of such taxes next due to be based upon the Mortgagee's reasonable estimate as to the amount of taxes and assessments to be levied and assessed) reduced by the amount, if any, then on deposit with the Mortgagee or the Depository, divided by the number of months to elapse before one (1) month prior to the date when such taxes and assessments will become due and payable. Such deposits are to be held with all interest earned thereon to be credited to the next deposit due from Mortgagor and are to be used for the payment of taxes and assessments (general and special) on the Premises next due and payable when they become due. If the funds so deposited are insufficient to pay any such tax or assessments (general or special) when the same become due and payable, the Mortgagor shall, within ten (10) days after receipt of demand therefor from the Mortgagee or the Depository, deposit such additional funds as may be necessary to pay such taxes and assessments (general and special) in full. If the funds so deposited exceed the amount required to pay such taxes and assessment (general and special) for any year, the excess shall be applied on a subsequent deposit or deposits. Said deposits shall be kept separate and apart from any other funds of the Mortgagee or the Depository.

Anything in this Paragraph 3 to the contrary notwithstanding, if the funds so deposited are insufficient to pay any such taxes or assessments (general or special) or any installment thereof, Mortgagor will, not later than ten (10) days prior to the last day on which the same may be paid without penalty or interest, deposit with the Mortgagee or the Depository the full amount of any such deficiency.

If any such taxes or assessments (general or special) shall be levied, charged, assessed or imposed upon or for the Premises, or any portion thereof, and if such taxes or assessments shall also be a levy, charge, assessment or imposition upon or for any other premises not encumbered by the lien of this Mortgage, then the computation of any amount to be deposited under this Paragraph 3 shall be based upon the entire amount of such taxes or assessments, and Mortgagor shall not have the right to apportion the amount of any such taxes or assessments for the purposes of such computation.

3. Deliberately Omitted.

4. Deliberately Omitted.

Insurance.

5. Mortgagor shall keep all buildings and improvements and the Collateral (defined in Paragraph 27 below) now or hereafter situated on said Premises insured against loss or damage by fire on a so-called "All Risks" basis and against such other hazards as may reasonably be required by Mortgagee but in no event less than that required under the Ground Lease, including without limitation of the generality of the foregoing, rent loss and business interruption insurance with coverage in an amount not less than twelve (12) months' gross revenues from the operation of the Premises. Mortgagor shall also provide liability insurance coverages, including liquor liability, with such limits for personal injury and death and property damage as Mortgagee may reasonably require. Subject to the provisions of the Ground Lease for the benefit of the

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Lessor thereunder, all policies of insurance to be furnished hereunder shall be in forms, companies and amounts satisfactory to Mortgagee, with waiver of subrogation and replacement cost endorsements and a standard non-contributory mortgagee clause attached to all policies, including a provision requiring that the coverages evidenced thereby shall not be terminated or materially modified without thirty (30) days' prior written notice to the Mortgagee. Mortgagor shall deliver all original policies, including additional and renewal policies, to Mortgagee and, in the case of insurance about to expire, shall deliver renewal policies not less than thirty (30) days prior to their respective dates of expiration.

Mortgagor shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained hereunder unless Mortgagee is included thereon under a standard non-contributory mortgagee clause acceptable to Mortgagee. Mortgagor shall immediately notify Mortgagee whenever any such separate insurance is taken out and shall promptly deliver to Mortgagee the original policy or policies of such insurance. In the event of a foreclosure of the lien of this Mortgage, or of a transfer of title to the Premises either in lieu of foreclosure or by purchase at the foreclosure sale, all interest in all insurance policies in force shall pass to Mortgagee, transferee or purchaser, as the case may be.

Within ninety (90) days following the second (2nd) yearly anniversary of the date hereof and every two (2) years thereafter at the request of the Mortgagee, Mortgagor agrees to furnish evidence of replacement cost, without cost to the Mortgagee, such as is regularly and ordinarily made by insurance companies to determine the then replacement cost of the building(s) and other improvements on the Premises.

**Adjustment of Losses with Insurer and
Application of Proceeds of Insurance.**

6. Subject to the provisions of the Ground Lease and the Prior Mortgages (as hereinafter defined) as to the holding by the lessor or the mortgagee thereunder, as the case may be, of insurance proceeds received by said lessor or mortgagee, in case of loss or damage by fire or other casualty, Mortgagee is authorized: (a) to settle and adjust any claim under insurance policies which insure against such risks with the participation of Mortgagor or (b) to allow Mortgagor to agree with the insurance company or companies on the amount to be paid in regard to such loss. In either case, Mortgagee is authorized to collect and receipt for any such insurance monies. So long as: (a) no insurer denies liability as to any insured or claims any right of participation in any of Mortgagee's security; and (b) Mortgagee (or any holder of one of the Prior Mortgages) has not elected to accelerate the maturity of the Indebtedness (or the indebtedness secured by any of the Prior Mortgages) as a result of a default hereunder (or under any of the Prior Mortgages); then such insurance proceeds, after deducting therefrom any reasonable expenses incurred by Mortgagee in the collection thereof, shall be made available by the Mortgagee for the repair, rebuilding or restoration of the buildings and other improvements on the Premises. In all other cases, subject to the provisions of the Ground Lease and the Prior Mortgages as to the holding by the lessor and the mortgagee thereunder, as the case may be, of insurance proceeds received by said lessor or mortgagee, such insurance proceeds may, at the option of the Mortgagee, be: (a) applied in reduction of the Indebtedness, then due and payable; or (b) held by the Mortgagee and

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used to reimburse Mortgagor or any lessee for the cost of the repair, rebuilding or restoration of building and other improvements on the Premises. In any event, the buildings and other improvements shall be so repaired, restored or rebuilt so as to be of at least equal value and substantially the same character as prior to such damage or destruction. If the insurance proceeds are made available for repair, rebuilding or restoration, such proceeds shall be disbursed through a title insurance company selected by Mortgagee (the "Disbursing Party") being furnished with satisfactory evidence of the cost of completion thereof and with architect's certificates, waiver of lien, contractors' and subcontractors' sworn statements, title continuations and other evidence of cost and payments so that the Disbursing Party can verify that the amounts disbursed from time to time are represented by completed and in-place work and that said work is free and clear of mechanical lien claims. No payment made prior to the final completion of the work shall exceed ninety percent (90%) of the value of the work performed from time to time, and at all times the undisbursed balance of such proceeds remaining in the hands of the Disbursing Party shall be at least sufficient to pay for the cost of completion of the work free and clear of liens. If the cost of rebuilding, repairing or restoring the buildings and other improvements may reasonably exceed the sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00), then the Mortgagee must approve plans and specifications of such work before such work shall be commenced. Any surplus which may remain out of said insurance proceeds, after payment of the cost of repair, rebuilding, restoration and the reasonable charges of the Disbursing Party, shall be paid to Mortgagor.

**Stamp Tax; Effect of Changes
in Laws Regarding Taxation.**

7. If, by the laws of the United States of America or of any state or subdivision thereof having jurisdiction over the Mortgagor, any tax is due or becomes due in respect of the issuance of the Note, the Mortgagor covenants and agrees to pay such tax in the manner required by any such law. The Mortgagor further covenants to reimburse the Mortgagee for any sums which Mortgagee may expend by reason of the imposition of any tax on the issuance of the Note.

7.1 In the event of the enactment, after this date, of any law of the state in which the Premises are located deducting from the value of the land for the purpose of taxation any lien thereon, or imposing upon the Mortgagee (or any senior mortgagee) the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the Mortgagee's (or any senior mortgagee's) interest in the Premises, or the manner of collection of taxes, so as to affect this Mortgage (or any senior mortgage) or the debt secured hereby or the holder thereof, then, and in any such event, the Mortgagor, upon demand by the Mortgagee, shall pay such taxes or assessments or reimburse the Mortgagee therefor; provided, however, that if in the opinion of counsel for the Mortgagee: (a) it might be unlawful to require Mortgagor to make such payment; or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law; then and in any such event, the Mortgagee may elect, by notice in writing given to the Mortgagor, to declare all of the indebtedness to become due and payable sixty (60) days from the giving of such notice.

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Observance of Lease Assignment.

8. As additional security for the payment of the Note and for the faithful performance of the terms and conditions herein, Mortgagor and its beneficiary or beneficiaries have assigned to the Mortgagee all of their right, title and interest as lands in and to the leases listed on the SCHEDULE OF LEASES attached hereto as Exhibit "B" and all future leases of the Premises. All leases of the Premises covering a rentable area in excess of 10,000 square feet ("Major Leases") are subject to the approval of the Mortgagee as to form, content and tenant(s), which consent shall not be unreasonably withheld.

Mortgagor will not and Mortgagor's beneficiary or beneficiaries will not, without Mortgagee's prior written consent: (i) execute any assignment or pledge of any rents or any leases of the Premises except an assignment or pledge securing the indebtedness (or any senior indebtedness); or (ii) accept any payment of any installment of rent more than thirty (30) days before the due date thereof; or (iii) make any lease of the Premises except for actual occupancy by the tenant thereunder.

Mortgagor, at its sole cost and expense, will: (i) at all times promptly and faithfully abide by, discharge and perform all of the material covenants, conditions and agreements contained in all Major Leases; (ii) in the ordinary course of business enforce or secure the performance of all of the covenants, conditions and agreements of such leases on the part of the tenants to be kept and performed; (iii) appear in and defend any action or proceeding arising under, growing out of or in any manner connected with such leases or the obligations, duties or liabilities of landlord or of any tenants thereunder; (iv) collaterally transfer and assign or cause to be separately transferred and assigned to Mortgagee, upon written request of Mortgagee, any lease or leases of the Premises heretofore or hereafter entered into, and make, execute and deliver to Mortgagee upon demand, any and all instruments required to effectuate said assignment; (v) furnish Mortgagee, within ten (10) days after a request by Mortgagee so to do, a written statement containing the names of all tenants and the terms of all leases of the Premises, including the spaces occupied and the rentals payable thereunder; and (vi) exercise within five (5) days of any demand therefor by Mortgagee any right to request from the tenant under any lease of the Premises a certificate with respect to the status thereof.

Nothing in this Mortgage or in any other documents relating to the loan secured hereby shall be construed to obligate Mortgagee, expressly or by implication, to perform any of the covenants of any landlord under any of the leases assigned to Mortgagee or to pay any sum of money or damages therein provided to be paid by the landlord, each and all of which covenants and payments Mortgagor agrees to perform and pay or cause to be performed and paid.

At the option of the Mortgagee, this Mortgage shall become subject and subordinate, in whole or in part (but not with respect to priority of entitlement to insurance proceeds or any award in eminent domain), to any one or more leases affecting any part of the Premises, upon the execution by Mortgagee and recording or registration thereof, at any time hereafter, in the office wherein this Mortgage was registered or filed for record, of a unilateral declaration to that effect.

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In the event of the enforcement by Mortgagee of any remedies provided for by law or by this Mortgage, the tenant under each lease of the Premises shall, at the option of the Mortgagee, attorn to any person succeeding to the interest of landlord as a result of such enforcement and shall recognize such successor in interest as landlord under such lease without change in the terms or other provisions thereof; provided, however, that said successor in interest shall not be bound by any payment of rent or additional rent for more than one month in advance or any amendment or modification to any lease made without the consent of Mortgagee or said successor in interest. Each tenant, upon request by said successor in interest, shall execute and deliver an instrument or instruments confirming such attornment.

It is covenanted and agreed that a default under any Assignment of Leases executed pursuant to this Paragraph 8 which is not cured during the applicable cure periods shall constitute a default hereunder, on account of which the whole of the Indebtedness shall at once, at the option of the Mortgagee, become immediately due and payable, without notice to the Mortgagor.

Mortgagor and Lien Not Released.

9. From time to time Mortgagee may, at Mortgagee's option, without giving notice to or obtaining the consent of Mortgagor or Mortgagor's successors or assigns or the consent of any junior lien holder, guarantor or tenant, without liability on Mortgagee's part and notwithstanding Mortgagor's breach of any covenant, agreement or condition of Mortgagor contained in this Mortgage: (a) release anyone primarily or secondarily liable on any of the Indebtedness; (b) accept a renewal note or notes thereof; (c) release from the lien of this Mortgage any part of the Premises; (d) take or release other or additional security for the Indebtedness; (e) consent to any plat, map or plan of the Premises; (f) consent to the granting of any easement; (g) join in any extension or subordination agreement; (h) agree in writing with Mortgagor to modify the rate of interest or period of amortization of the Note or change the time of payment or the amount of the monthly installments payable thereunder; and (i) waive or fail to exercise any right, power or remedy granted by law or herein or in any other instrument given at any time to evidence or secure the payment of the Indebtedness.

Any actions taken by Mortgagee pursuant to the terms of this Paragraph 9 shall not impair or affect: (a) the obligation of Mortgagor or Mortgagor's successors or assigns to pay any sums at any time secured by this Mortgage and to observe all of the covenants, agreements and conditions herein contained; (b) the guaranty of any individual or legal entity for payment of the Indebtedness; and (c) the lien or priority of the lien hereof against the Premises.

Mortgagor shall pay to Mortgagee a reasonable service charge, and such title insurance premiums and attorneys' fees as may be incurred by Mortgagee for any action described in this Paragraph 9 taken at the request of Mortgagor or of its beneficiary or beneficiaries.

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Mortgagee's Performance of Defaulted Acts.

10. In case of default herein, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner Mortgagee deems 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 said Premises or contest any tax or assessment or cure any default of any landlord in any lease of the Premise. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including reasonable attorneys' fees and any other monies advanced by Mortgagee in regard to any tax referred to in Sections 7 or 7.1 or to protect the Premises or the lien hereof, shall be so much additional Indebtedness secured hereby, and shall become immediately due and payable upon notice of same and with interest thereon at the rate or rates of interest set forth in the Note applicable to a period when a default exists thereunder. In addition, with respect to any such payments made by Mortgagee hereunder, Mortgagee shall be fully subrogated to said extent to the rights of the party to whom such payment was made. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor. The foregoing notwithstanding, it is understood and agreed that Mortgagee shall not have the right to make any payment or perform any act prior to the expiration of any applicable cure period unless Mortgagee reasonably believes that Mortgagee will suffer adverse consequences by not acting prior to the expiration of such cure period.

Mortgagee's Reliance on Tax Bills, etc.

11. 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 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.

Acceleration of Indebtedness in Case of Default.

12. If: (a) default be made in the due and punctual payment of principal or interest on the Note, or any other payment due in accordance with the terms thereof, which default continues for five (5) days after the Payee thereunder gives written notice thereof to the Maker thereunder or (b) the Mortgagor or any beneficiary thereof shall (i) file a petition for liquidation, reorganization or adjustment of debt under Title 11 of the United States Code (11 U.S.C. §§ 101 et seq.) or any similar law, state or federal, whether now or hereafter existing, or (ii) any answer admitting insolvency or inability to pay its debts, or (iii) fail to obtain a vacation or stay of involuntary proceedings within ninety (90) days, as hereinafter provided; or (c) any order for relief of the Mortgagor or any beneficiary thereof shall be entered in any case under Title 11 of the United States Code, or a trustee or a receiver shall be appointed for the Mortgagor or for any beneficiary thereof, or for all or for a part of the property of Mortgagor or of any

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beneficiary thereof in any voluntary or involuntary proceeding, or any court shall have taken jurisdiction of all or a part of the property of the Mortgagor or of any beneficiary thereof in any voluntary or involuntary proceeding for the reorganization, dissolution, liquidation, adjustment of debt or winding up of the Mortgagor or of any beneficiary thereof and such trustee or receiver shall not be discharged or such jurisdiction not be relinquished or vacated or stayed on appeal or otherwise stayed within ninety (90) days; or (d) the Mortgagor or any beneficiary thereof or shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or trustee or liquidator of all or any major part of its property; or (e) default shall be made in the due observance or performance of any other covenant, agreement or condition hereinbefore or hereinafter contained and required to be kept or performed or observed by the Mortgagor or any beneficiary thereof, which default continues for five (5) days after notice in the case of a monetary default or thirty (30) days after notice in the case of a non-monetary default unless such default cannot be cured within said thirty (30) day period and Mortgagor diligently and in good faith is pursuing said cure to completion; or (f) default shall be made in the due observance or performance of any covenant, agreement or condition required to be kept or observed by Mortgagor or any beneficiary thereof in any other instrument given at any time to secure the payment of the Note, which default continues for five (5) days after notice in the case of a monetary default or thirty (30) days after notice in the case of a non-monetary default unless such default cannot be cured within said thirty (30) day period and Mortgagor diligently and in good faith is pursuing said cure to completion; or a letter of credit delivered to Mortgagee pursuant to Paragraph 34.3 or Paragraph 34.4 below is drawn upon (it being understood and agreed that the application of any proceeds of such letter of credit shall not be deemed to cure a default); then and in any such event, subject to Paragraphs 1A and 1B, the whole of the Indebtedness shall at once, at the option of the Mortgagee, become immediately due and payable without notice to Mortgagor.

Foreclosure; Expense of Litigation.

13. When the Indebtedness or any part thereof shall become due, whether by acceleration (subject to Paragraphs 1A and 1B) or otherwise, Mortgagee shall have the right to cause the Trustee to foreclose the lien hereof for such Indebtedness or part thereof. In any civil action to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness in the order or judgment for foreclosure and sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of said order or judgment) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens' Certificates and similar data and assurances with respect to the title as Mortgagee may deem reasonably necessary either to prosecute such civil action or to evidence to bidders at any sale which may be had pursuant to such order or judgment the true condition of the title to, or the value of, the Premises. All reasonable expenditures and expenses of the nature in this Paragraph mentioned and such reasonable expenses and fees as may be incurred in the protection of the Premises and the maintenance of the lien of this Mortgage, including the fees of any attorneys employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Note, or the Premises, including probate, appellate and bankruptcy proceedings, or in preparations for the commencement or defense of any action or proceeding or threatened action or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the rate set forth in

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the Note applicable to a period when a default exists thereunder, and shall be secured by this Mortgage.

At all times, the Mortgagor shall appear in and defend any suit, action or proceeding that might in any way in the sole but reasonable judgment of Mortgagee affect the value of the Premises, the priority of this Mortgage or the rights and powers of Mortgagee or Trustee hereunder or under any document given at any time to secure the Indebtedness. Mortgagor shall, at all times, indemnify, hold harmless and reimburse Mortgagee or Trustee on demand for any and all loss, damage, expense or cost, including cost of evidence of title and reasonable attorneys' fees, arising out of or incurred in connection with any such suit, action or proceeding, and the sum of such expenditures shall be secured by this Mortgage, and shall bear interest after demand at the rate specified in the Note applicable to a period when an uncured default exists thereunder, and such interest shall be secured hereby and shall be due and payable on demand.

Application of Proceeds of Foreclosure Sale.

14. The proceeds of any foreclosure sale of the 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, all other items which may under the terms hereof constitute secured Indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note; and fourth, any surplus to any party entitled thereto as their rights may appear.

Appointment of Receiver or Mortgagee in Possession.

15. Upon, or at any time after, the commencement of an action to foreclose this Mortgage, the court in which such action was commenced may, upon request of the Mortgagee or the Trustee, appoint a receiver of the Premises either before or after foreclosure sale, without notice and without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not; and the Mortgagee or any holder of the Note may be appointed as such receiver or as a mortgagee in possession. Such receiver or mortgagee in possession shall have power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure action and, in case of a sale and a deficiency, during the full statutory period of redemption (if any), whether there be redemption or not, as well as during any further times (if any) 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 Premises during the whole of said period. The court from time to time may authorize the receiver of the mortgagee in possession to apply the net income in its hands in payment in whole or in part of: (a) the Indebtedness secured hereby or by any order or judgment foreclosing the lien of this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or the lien of such order or judgment, provided such application is made prior to foreclosure sale; and (b) the deficiency in case of a sale and deficiency.

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Rights Cumulative.

16. Each right, power and remedy conferred upon the Mortgagee or the Trustee by this Mortgage and by all other documents evidencing or securing the Indebtedness and conferred by law and in equity is cumulative and in addition to every other right, power and remedy, express or implied, given now or hereafter existing, at law and in equity; and each and every right, power and remedy herein or therein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Mortgagee or the Trustee; and the exercise or the beginning of the exercise of one 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, or discontinuance by, the Mortgagee or the Trustee 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.

Mortgagee's Right of Inspection.

17. Mortgagee shall have the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose.

Condemnation.

18. Mortgagor hereby assigns, transfers and sets over unto the Mortgagee the entire proceeds of any award and any claim for damages for any of the Premises taken or damaged under the power of eminent domain or by condemnation. So long as: (a) the Premises require repair, rebuilding or restoration; and (b) Mortgagee (or any senior mortgagee) has not elected to accelerate the maturity of the Indebtedness (or the indebtedness secured by any senior mortgage) as a result of a default hereunder (or under any senior mortgage); then any award, after deducting therefrom any expenses incurred in the collection thereof shall be made available by the Mortgagee for the repair, rebuilding or restoration of the Premises in accordance with plans and specifications to be submitted to and approved by the Mortgagee.

In all other cases, the Mortgagee may elect to apply the proceeds of the award upon or in reduction of the Indebtedness, whether due or not, or make those proceeds available for repair, restoration or rebuilding of the Premises in accordance with plans and specifications to be submitted to and approved by the Mortgagee. In any case where proceeds are made available for repair, rebuilding or restoration, the proceeds of the award shall be paid out in the same manner and under the same conditions provided in Paragraph 6 hereof for the payment of insurance proceeds toward the cost of repair, rebuilding or restoration. Any surplus which may remain out of said award after payment of such cost of repair, rebuilding, restoration and the reasonable charges of the Disbursing Party shall, at the option of the Mortgagee, be applied on account of the Indebtedness or paid to any party entitled thereto as the same appear on the records of the Mortgagee. No interest shall be allowed to Mortgagor on account of any proceeds of any award held by the Disbursing Party.

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Nothing contained in this Paragraph 18 shall be construed to preclude Mortgagor from participating in any negotiations with respect to any award or claim for damages for any of the Premises taken or damaged under the power of eminent domain or by condemnation.

Release Upon Payment and Discharge of Mortgagor's Obligations.

19. Mortgagee shall cause Trustee to release this Mortgage and the lien hereof by proper instrument upon payment and discharge of all Indebtedness secured hereby (including any late charges provided for herein or in the Note) and upon payment of a reasonable fee to Mortgagee or Trustee for the execution of such proper instrument.

Giving of Notice.

20. Any notice which either party hereto may desire or be required to give to the other party shall be in writing and shall be deemed duly given (a) when personally delivered or (b) on the earlier of (i) when received or (ii) the third (3rd) business day after being sent by certified mail, postage prepaid, addressed to a party at its address set forth below, or to such other address as the party to receive such notice may have designated to all other parties in accordance herewith:

If to Mortgagor: James C. Caraher
135 South LaSalle Street
Suite 711
Chicago, Illinois 60603

and to: David J. Buffam
Newcastle Investments
709 Park Avenue
New York, New York 10021

with a copy to: Coffield Ungaretti Harris & Slavin
3500 Three First National Plaza
Chicago, Illinois 60602

Attention: James B. Smith

If to Trustee or Mortgagee: c/o M & J Wilkow, Ltd.
180 North Michigan Avenue
Suite 600
Chicago, Illinois 60601

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with a copy to:

Friedman & Koven
208 South LaSalle Street
Suite 900
Chicago, Illinois 60604

Attention: Philip M. Kayman

Waiver of Defense.

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

Waiver of Statutory Rights.

22. Mortgagor shall not and will not apply for or avail itself of any appraisement, 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 the lien of this Mortgage, but hereby waives the benefit of such laws. Mortgagor, for itself and all who may claim through or under it, waives any and all right to have the property and estates comprising the Premises marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Premises sold as an entirety. Mortgagor does hereby expressly waive any and all rights of redemption from sale under any order or judgment of foreclosure of the lien of this Mortgage on behalf of the Mortgagor, the trust estate and all persons beneficially interested therein and each and every person, except judgment creditors of the Mortgagor in its representative capacity and of the trust estate, acquiring any interest in or title to the Premises subsequent to the date of this Mortgage.

Furnishing of Financial Statements to Mortgagee.

23. Mortgagor covenants and agrees that it will keep and maintain, or cause its beneficiary or beneficiaries from time to time to keep and maintain, books and records of account in which full, true and correct entries shall be made of all dealings and transactions relative to the Premises, which books and records of account shall, at reasonable times and on reasonable notice, be open to the inspection of the Mortgagee and its accountants and other duly authorized representatives. Such books of record and account shall be kept and maintained in accordance with generally accepted accounting principles consistently applied.

23.1 Mortgagor shall, without demand or cost to Mortgagee, within ninety (90) days after the end of each fiscal year of Mortgagor, furnish to Mortgagee audited financial statements of the beneficiary of Mortgagor and the Premises for such fiscal year, prepared in accordance with generally accepted principles of accounting consistently applied. In the event that Mortgagor omits to prepare and deliver or cause to be prepared and delivered promptly any such statements the Mortgagee may elect, in addition to exercising any remedy for an event of default as provided for in this

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Mortgage, to make an audit of all books and records of Mortgagor and its beneficiary, including their bank accounts, and to prepare the reports which Mortgagor failed to procure and deliver. Such audit which Mortgagee shall cause to be prepared shall be made and such statement or statements shall be prepared by an independent Certified Public Accountant to be selected by the Mortgagee (and Mortgagee hereby consents to any such accountant elected by any senior mortgagee). Mortgagor shall pay all expenses of the audit and other services, which expenses shall be secured hereby as additional indebtedness and shall be immediately due and payable with interest thereon at the rate applicable (as provided in the Note) in the event of a default under the Note.

Filing and Recording Charges and Taxes.

24. Mortgagor will pay all filing, registration, recording and search and information fees, and all expenses incident to the execution and acknowledgment of this Mortgage and all other documents securing the Note and all federal, state, county and municipal taxes, other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery, filing, recording or registration of the Note, this Mortgage and all other documents securing the Note and all assignments thereof.

Business Purpose; Usury Exemption.

25. Mortgagor has been advised by its beneficiaries that the proceeds of the Indebtedness secured by this Mortgage will be used for the purposes specified in Paragraph 4(1)(c) of Chapter 74 of the Illinois Revised Statutes, and that the principal obligation secured hereby constitutes a "business loan" which comes within the purview and operation of said paragraph.

Miscellaneous.

26. Binding Nature. This Mortgage and all provisions hereof shall extend to and be binding upon the original Mortgagor named on page 1 hereof and (subject to the provisions of Paragraph 30) its successors, grantees, assigns, each subsequent owner or owners of the Premises and all persons claiming under or through Mortgagor; and the word "Mortgagor" when used herein shall include all such persons and all persons primarily and secondarily liable for the payment of the Indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage.

26.1 Release of Previous Holder. The word "Mortgagee" when used herein shall include the successors and assigns of the original Mortgagee named on page 1 hereof and the holder or holders, from time to time, of the Note. However, whenever the Note is sold, each prior holder shall be automatically freed and relieved, on and after the date of such sale, of all liability with respect to the performance of each covenant and obligation of Mortgagee hereunder thereafter to be performed, provided that any monies in which the Mortgagor has an interest, which monies are then held by the seller of the Note, are turned over to the purchaser of the Note.

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26.2 Severability and Applicable Law. In the event one or more of the provisions contained in this Mortgage or in the Note or in any other document given at any time to secure the payment of the Note shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Mortgagee, not affect any other provision of this Mortgage, the Note or other document and this Mortgage, the Note or other document shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein. The validity and interpretation of this Mortgage and the Note it secures are to be construed in accordance with and governed by the laws of the State in which the Premises are situated.

26.3 Deliberately Omitted.

26.4 Estoppel Certificate. Mortgagor and Mortgagee, within fifteen (15) days after being so requested by the other party, shall furnish, from time to time, a signed statement setting forth the amount of the Indebtedness and whether or not any default, offset or defense then is alleged to exist against the Indebtedness, or, in the case of Mortgagor, under the Ground Lease or the Prior Mortgages, and, if so, specifying the nature thereof.

26.5 Non-joinder of Tenants. After an event of default, Mortgagee or Trustee shall have the right and option to commence a civil action to foreclose the lien of this Mortgage and to obtain an order or judgment of foreclosure and sale subject to the rights of any tenant or tenants of the Premises. The failure to join any tenant or tenants of the Premises as party defendant or defendants in any such civil action or the failure of any such order or judgment to foreclose their rights shall not be asserted by the Mortgagee as a defense in any civil action instituted to collect the Indebtedness secured hereby, or any part thereof, or any deficiency remaining unpaid after foreclosure and sale of the Premises, any statute or rule of law at any time existing to the contrary notwithstanding.

26.6 Deliberately Omitted.

26.7 Regulation G Clause. Mortgagor covenants that the proceeds evidenced by the Note secured hereby will not be used for the purchase or carrying of registered equity securities within the purview and operation of Regulation G issued by the Board of Governors of the Federal Reserve System.

Security Agreement and Financing Statement.

27. Mortgagor and Mortgagee agree: (i) that this Mortgage shall constitute a Security Agreement within the meaning of the Uniform Commercial Code of the State in which the Premises are located (the "Code") with respect to all sums on deposit with the Mortgagee pursuant to Paragraphs 6 and 18 and 39-1 hereof ("Deposits") and with respect to any property included in the definition herein of the word "Premises", which property may not be deemed to form a part of the real estate described in EXHIBIT "A" or may not constitute a "fixture" (within the meaning of Section 9-313 of the Code), and all replacements of such property, substitutions for such property, additions to such property, and the proceeds thereof (said property, replacements, substitutions, additions and the proceeds thereof being sometimes herein collectively referred to as the

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"Collateral"); and (ii) that a security interest in and to the Collateral and the Deposits is hereby granted to the Mortgagee; and (iii) that the Deposits and all of Mortgagor's right, title and interest therein are hereby assigned to the Mortgagee, all to secure payment of the Indebtedness and to secure performance by the Mortgagor of the terms, covenants and provisions hereof.

In the event of a default under this Mortgage, the Mortgagee, pursuant to the appropriate provisions of the Code, shall have an option to proceed with respect to both the real property and Collateral in accordance with its rights, powers and remedies with respect to the real property, in which event the default provisions of the Code shall not apply. The parties agree that if the Mortgagee shall elect to proceed with respect to the Collateral separately from the real property, five (5) days notice of the sale of the Collateral shall be reasonable notice. The reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by the Mortgagee shall include, but not be limited to, reasonable attorneys' fees and legal expenses incurred by Mortgagee. The Mortgagor agrees that, without the written consent of the Mortgagee, the Mortgagor will not remove or permit to be removed from the Premises any of the Collateral except that so long as the Mortgagor is not in default hereunder, Mortgagor shall be permitted to sell or otherwise dispose of the collateral when obsolete, worn out, inadequate, unservicable or unnecessary for use in the operation of the Premises, but only upon replacing the same or substituting for the same other Collateral at least equal in value and utility to the initial value and utility of that disposed of and in such a manner that said replacement or substituted Collateral shall be subject to the security interest created hereby and that the security interest of the Mortgagee shall be perfected and first in priority, it being expressly understood and agreed that all replacements, substitutions and additions to the Collateral shall be and become immediately subject to the security interest of this Mortgage and covered hereby. The Mortgagor shall, from time to time, on request of the Mortgagee, deliver to the Mortgagee at the cost of the Mortgagor: (i) such further financing statements and security documents and assurances as Mortgagee may reasonably require, to the end that the liens and security interests created hereby shall be and remain perfected and protected in accordance with the requirements of any present or future law; and (ii) an inventory of the Collateral in reasonable detail. The Mortgagor covenants and represents that all Collateral now is, and that all replacements thereof, substitutions therefor or additions thereto, unless the Mortgagee otherwise consents, will be free and clear of liens, encumbrances, title retention devices and security interests of others.

The Mortgagor and Mortgagee agree, to the extent permitted by law, that: (i) all of the goods described within the definition of the word "Premises" herein are or are to become fixtures on the land described in EXHIBIT "A"; (ii) this instrument, upon recording or registration in the real estate records of the proper office, shall constitute a "fixture filing" within the meaning of Sections 9-313 and 9-402 of the Code; and (iii) Mortgagor is a record owner of the property described in EXHIBIT "A".

If the Collateral is sold in connection with a sale of the Premises, Mortgagor shall notify the Mortgagee prior to such sale and shall require as a condition of such sale that the purchaser specifically agree to assume Mortgagor's obligations as to the security interests herein granted and to execute whatever agreements and filings are deemed necessary by the Mortgagee to maintain Mortgagee's first perfected security interest in the Collateral, Deposits and the deposits described in Paragraph 4 above.

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Anything in this Paragraph 27 to the contrary notwithstanding, Mortgagee hereby agrees to subordinate its security interest hereunder to purchase money financing for a new computer system, a new telephone system or such other similar new office equipment provided that such Mortgagee shall agree to provide Mortgagee with notice of any default by Mortgagor and a reasonable right to cure such default and provided that Mortgagor shall provide Mortgagee prompt notice if such system or equipment is removed from the Premises or damaged.

28. Deliberately Omitted.

Mortgagor's Further Covenants with Respect to Ground Lease.

29. Mortgagor hereby represents and covenants:

(1) That the Mortgagor will defend the Leasehold Estate created by the Ground Lease for the entire remainder of the term set forth therein against all and every person or persons lawfully claiming, or who may claim the same or any part thereof, subject only to the payment of the rents in the Ground Lease reserved and to the performance and observance of all of the terms, covenants, conditions and warranties thereof.

(2) That the Mortgagor shall at all times promptly and faithfully keep and perform, or cause to be kept and performed, all covenants and conditions contained in the Ground Lease by the Lessee therein to be kept and performed and in all respects conform to and comply with the terms and conditions of the Ground Lease and the Mortgagor further covenants that it will not do or permit anything to be done, the doing of which, or refrain from doing anything the omission of which will be grounds for declaring a forfeiture of the Ground Lease, and upon any such failure after the expiration of any applicable cure period thereunder, Mortgagor shall be subject to all of the rights and remedies of Mortgagee in this Mortgage contained, including but not limited to acceleration of the debt secured hereby and foreclosure hereof.

Mortgagor also covenants that it will not modify, extend or in any way alter the term of the Ground Lease or cancel or surrender the Ground Lease, or waive, execute, condone or in any way release or discharge the Lessor thereunder or from the obligations, covenants, conditions and agreements by the Lessor to be done and performed; and Mortgagor does by these presents expressly release, relinquish and surrender unto the Mortgagee all its right, power and authority to cancel, surrender, amend, modify or alter in any way the terms and provisions of the Ground Lease, and any attempt on the part of the Mortgagor to exercise any such right without the written authority and consent of the Mortgagee thereto being first had and obtained shall constitute a default under the terms hereof and the entire indebtedness secured hereby shall, at the option of the Mortgagee, become due and payable forthwith and without notice.

The entire indebtedness shall immediately become due and payable at the option of the Mortgagee, if the Mortgagor fails to give the Mortgagee prompt notice of any default under the Ground Lease or of the receipt by it of any notice of default from the Lessor or if the Mortgagor fails to furnish to the Mortgagee promptly any and all

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information which it may reasonably request concerning the performance by the Mortgagor of the covenant of the Ground Lease, or if the Mortgagor fails to permit forthwith the Mortgagee or its representative at all reasonable times to make investigation or examination concerning the performance by the Mortgagor of the covenants of the Ground Lease.

The Mortgagor further covenants and agrees that it will promptly deposit with the Mortgagee a copy of the Ground Lease and any and all documentary evidence received by it showing compliance by the Mortgagor with the provisions of the Ground Lease and will also deposit with the Mortgagee an exact copy of any notice, communication, plan, specification or other instrument or document received or given by it in any way relating to or affecting the Ground Lease which may concern or affect the estate of the Lessor or the Lessee in or under the Ground Lease or in the real estate thereby demised, and upon the Mortgagor's failure so to do, the Mortgagee may, at its option, declare the whole of said principal sum due and payable at once.

In the event of any failure by Mortgagor to perform any covenant on the part of Lessee to be observed and performed under the Ground Lease after the expiration of any applicable cure period, the performance by Mortgagee in behalf of Mortgagor of the Ground Lease covenant shall not remove or waive as between Mortgagor and Mortgagee, the corresponding default under the terms hereof and any amount so advanced by Mortgagee or any costs incurred in connection therewith, with interest thereon at the Default Rate (as defined in the Note) shall be repayable by Mortgagor upon demand and secured hereby.

Due on Sale or Further Encumbrance Clauses.

30. Any sale, conveyance, assignment, further encumbrance or other transfer of title to the Premises or any interest therein (whether voluntary or by operation of law) without the Mortgagee's prior written consent shall be an event of default hereunder. For the purpose of, and without limiting the generality of, the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an unpermitted transfer of title to the Premises and therefore an event of default hereunder:

(a) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, all or any part of the beneficial interest or power of direction under the trust agreement with the Mortgagor except for an assignment of such interest to secure repayment of an indebtedness the proceeds of which are used directly and solely for the Premises and except for a mortgage or mortgages to Sheraton Operating Corporation, a Delaware corporation ("Sheraton"), or an affiliate of Sheraton, in the original aggregate principal amount of One Million Three Hundred Thousand and No/100 Dollars (\$1,300,000.00) provided that such mortgage(s) is (are) junior to the lien of this Mortgage;

(b) any sale, conveyance, assignment, or other transfer of, or the grant of a security interest in, any general partnership interest in any limited partnership or general partnership (herein called the "Partnership") which is the beneficiary or one of the beneficiaries under the trust agreement with the Mortgagor except for a transfer made to a member of such partner's family solely for estate planning purposes or a transfer by James C. Caraher of all of his general partnership

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interest in Chicago Huron Partners to an Illinois limited partnership having as its sole general partner James C. Caraher; provided, however, this exception shall be effective only so long as James C. Caraher remains the sole general partner of such transferee limited partnership;

(c) any sale, conveyance, assignment, or other transfer of, or the grant of a security interest in, any share of stock of any corporation directly controlling the Partnership;

(d) any sale, conveyance, assignment or other transfer of or the grant of a security interest in any entity other than the Partnership which is the beneficiary or one of the beneficiaries, or which has a direct interest in any such beneficiary, under the trust agreement with Mortgagor; or

(e) any other transaction denominated a structure which, by itself, or in consideration with any one or more related transactions, has or could have the effect of changing the party or parties having the economic equivalent of ownership or the Premises or any part thereof except for a syndication of limited partnership interests in the Partnership.

Any consent by the Mortgagee, or any waiver of an event of default, under this Paragraph shall not constitute a consent to, or waiver of any right, remedy or power of the Mortgagee upon a subsequent event of default under this Paragraph.

Merger.

31. So long as any of the Indebtedness secured by this Mortgage shall remain unpaid, unless the Mortgagee shall otherwise in writing consent, the fee title and the Leasehold Estate in the Premises shall not merge but shall always be kept separate and distinct, notwithstanding the union of said estates either in the Lessor or the Lessee, or in a third party by purchase or otherwise; and the Mortgagor covenants and agrees that in case it shall acquire the fee title, or any other estate, title or interest in the Premises covered by the Ground Lease, this Mortgage shall attach to and be a first lien upon such other estate so acquired, and such other estate so acquired by the Mortgagor shall be considered as mortgaged, assigned or conveyed to the Mortgagee and the lien hereof spread to cover such estate with the same force and effect as though specifically herein mortgaged, assigned or conveyed and spread. Mortgagor covenants and agrees to execute and deliver to Mortgagee or Trustee upon written request such supplemental documents as may be required to bring such other title or interest so acquired into the chain of title. The provisions of this paragraph shall not apply in the event the holder of the Note acquires the fee of the mortgaged premises except if Mortgagee shall so elect.

Mortgagee's Right to Cure.

32. If Mortgagor shall default in its performance due to Lessor under the Ground Lease, after the expiration of the applicable cure period any action Mortgagee deems necessary or desirable to prevent or to cure any default by Mortgagor in the performance of or compliance with any of the Mortgagor's covenants or obligations under the Ground Lease. Upon receipt by Mortgagee from the Lessor under the Ground Lease

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of any written notice of default by the Mortgagor or Lessee thereunder, after the expiration of the applicable cure period Mortgagee may rely thereon and take any action as aforesaid to cure such default even though the existence of such default or the nature thereof be questioned or denied by Mortgagor or by any party on behalf of Mortgagor. Mortgagor hereby expressly grants to Mortgagee, and agrees that Mortgagee shall have, the absolute and immediate right to enter in and upon the Premises or any part thereof to such extent and as often as Mortgagee, in its sole discretion, deems reasonably necessary or desirable in order to cure any such default by Mortgagor. Mortgagee may pay and expend such sums of money as Mortgagee in its sole discretion deems necessary for any such purpose, and Mortgagor hereby agrees to pay to Mortgagee, immediately and without demand, all such sums so paid and expended by Mortgagee, together with interest thereon, from the date of such payment at the rate set forth in the Note applicable to a period when a default exists thereunder. All sums so paid and expended by Mortgagee, and the interest thereon, shall be deemed additional indebtedness secured by the lien of this Mortgage.

Prior Encumbrances, Defaults.

33. Mortgagor, or its predecessor in title to the Premises, has previously executed and delivered certain mortgages (the "Prior Mortgages") listed on EXHIBIT "C" attached hereto and made a part hereof, which are senior to this Mortgage and which secure the notes (the "Prior Notes") listed on EXHIBIT "C". Mortgagor covenants and agrees that any uncured default or breach of any term, covenant or condition contained in any of the Prior Notes or Prior Mortgages after the applicable cure period thereunder shall constitute an event of default under this Mortgage, and thereafter Mortgagee, at its option, may declare all Indebtedness hereby secured, without notice, to be immediately due and payable, and Mortgagee may cause the Trustee to foreclose this Mortgage as in the case of any other default hereunder, without regard to whether any of the Prior Mortgages is then being foreclosed on.

Mortgagor hereby appoints Mortgagee as Mortgagor's agent coupled with an interest at Mortgagee's option and without obligation on Mortgagee, from time to time to perform any covenant, do any act or make any payment required by the terms of the Prior Mortgages and the Prior Notes but only in the event that Mortgagor has failed to timely perform such covenant, do such act or make such payment, it being understood that Mortgagee shall have the right to act prior to the expiration of applicable cure periods. All expenses incurred and all sums paid by Mortgagee relative to the foregoing authority shall be secured hereby with interest thereon at the rate set forth in the Note applicable to a period when a default exists thereunder and shall be payable to Mortgagee on demand. Any exercise of the option by Mortgagee to perform any of said covenants, to do any of said acts, or to make any of said covenants to do any of said acts or to make any of said payments as aforesaid, may be made by Mortgagee prior to, simultaneously with, or subsequent to the exercise by Mortgagee of the option (in this Paragraph contained) to declare all Indebtedness hereby secured, without notice, to be immediately due and payable.

33.1 **Further Covenants Regarding Prior Mortgages.** Mortgagor covenants that it will not modify, extend or in any way alter any of the terms or provisions of the Prior Mortgages or Prior Notes or seek any waiver, extension for payment or forbearance with respect thereto without the prior written consent of Mortgagee.

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Subordination to Lien of Prior Mortgages and Assignment:

34. This Mortgage and the liens and security interest created hereby shall be, and the same are hereby made and shall continue, subject and subordinate to the liens and security interests created by, as well as all of the terms, covenants and conditions contained in: (a) the Prior Mortgages; and (b) those one or more Assignments given to further secure the indebtedness secured by the Prior Mortgages and listed on EXHIBIT "C" (hereinafter collectively called the "Assignments").

34.1 Anything herein to the contrary notwithstanding, Mortgagor, or its beneficiaries, shall have the right to incur additional indebtedness or to refinance the indebtedness secured by the Mortgage and other security documents described in EXHIBIT "C" hereto in favor of John Hancock Mutual Life Insurance Company (the "Hancock Mortgage"), or both, and, in that connection, to encumber the Premises by a mortgage or mortgages and other security interests (the "New Mortgages") as more fully herein set forth, and (subject to compliance with each of the conditions hereinafter set forth) Mortgagee agrees (i) the New Mortgages shall constitute a Prior Mortgage hereunder and the note evidencing the indebtedness thereby secured shall constitute a Prior Note hereunder; and (ii) the lien of this Mortgage shall be, and shall continue to be, subject and subordinate to the lien of the New Mortgages; provided, however, the aforesaid provisions of this Paragraph 34.1 shall in all respects be conditioned upon the prior satisfaction in full of each of the following conditions, and the delivery to Mortgagee hereunder of evidence reasonably satisfactory to Mortgagee that each of said conditions has been so satisfied:

(a) the amount of the indebtedness secured by the Hancock Mortgage and the New Mortgages shall in no event be greater than Eighteen Million and No/100 Dollars (\$18,000,000.00) in the aggregate;

(b) all of the proceeds of the loan secured by the New Mortgage shall be first used for the purpose of paying in full the indebtedness then secured by the Hancock Mortgage if said indebtedness is being paid off and, in such case, the proceeds thereof shall be sufficient to cause the payment in full of all such indebtedness and the full release and discharge of the lien of the Hancock Mortgage;

(c) prior to the recordation of any such New Mortgages, and any related instruments or documents given to further evidence or secure the indebtedness secured by the New Mortgages, true and complete copies thereof shall be delivered to Mortgagee for Mortgagee's approval, which approval shall not be reasonably withheld or delayed.

(d) there shall have been delivered to Mortgagee hereunder a written instrument from the holders of the New Mortgages in which said holders shall agree, for the benefit of the Mortgagee and Trustee hereunder, to deliver copies of any notices of default which may at any time be delivered by the holder of the New Mortgages to the Mortgagor thereunder, or, if no such notices are required to be

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delivered under the New Mortgages, nevertheless to deliver notice thereof to Mortgagee hereunder, and permit Mortgagee hereunder a reasonable opportunity (not less than five (5) days in the case of default of payment of principal or interest) in which to cure such default.

Any mortgage or other lien at any time hereafter made or executed by or on behalf of Mortgagor or its beneficiaries prior to compliance with the above conditions precedent shall, in all respects, be subject and subordinate to the lien of this Mortgage and shall, among other things, constitute an encumbrance in violation of the provisions of Paragraph 30 above.

34.2 In addition to the refinancing rights set forth in Paragraph 34.1 above, Mortgagor, or its beneficiaries, shall have the right to incur additional indebtedness not to exceed One Million and No/100 Dollars (\$1,000,000.00) and, in that connection, to encumber the Premises by a mortgage and other security interests which may be coincident with and a part of the financing referred to in 34.1 (the "New Second Mortgage") as more fully herein set forth, and (subject to compliance with each of the conditions hereinafter set forth) Mortgagee agrees (i) that New Second Mortgage shall be deemed to be one of the Prior Mortgages hereunder and the note evidencing the indebtedness thereby secured shall be deemed to be one of the Prior Notes hereunder; and (ii) the lien of this Mortgage shall be, and shall continue to be, subject and subordinate to the lien of the New Second Mortgage; provided, however, the aforesaid provisions of this Paragraph 34.2 shall in all respects be conditioned upon the prior satisfaction in full of each of the following conditions and the delivery to Mortgagee hereunder of evidence reasonably satisfactory to Mortgagee that each of said conditions has been so satisfied:

(a) all of the proceeds of the loan secured by the New Second Mortgage shall be used solely and exclusively for capital improvements to the Premises that increase the value of the Premises by at least the amount of the additional indebtedness secured by the New Second Mortgage, it being understood and agreed that after One Million and No/100 Dollars (\$1,000,000.00) has been spent solely and exclusively for capital improvements to the Premises on or before February 19, 1986, the requirements of this Subparagraph (a) shall be waived for any subsequent refinancing permitted under this Paragraph 34.2;

(b) Deliberately Omitted;

(c) the loan secured by the New Second Mortgage shall be made by an "institutional" lender;

(d) prior to the recordation of any such New Second Mortgage, and to any related instruments or documents given to further evidence or secure the indebtedness secured by the New Second Mortgage, true and complete copies thereof shall be delivered to Mortgagee for Mortgagee's approval, which approval shall not be unreasonable withheld or or delayed; and

(e) there shall have been delivered to Mortgagee hereunder a written instrument from the holder of the New Second Mortgage in which said holder shall agree, for the benefit of the Mortgagee and Trustee hereunder, to deliver copies of any notices of default which may at any time be delivered by the holder of the New Mortgage to the Mortgagor thereunder, or, if no such notices are required to be delivered under the New Second Mortgage, nevertheless to deliver notice thereof to Mortgagee hereunder, and permit Mortgagee hereunder a reasonable opportunity

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(not less than five (5) days in the case of default of payment of principal or interest) in which to cure such default.

34.3 Mortgagor, or its beneficiaries, shall have the right to increase the amount of additional indebtedness which Mortgagor, or its beneficiaries, shall have the right to incur pursuant to Paragraph 34.2 above by Two Hundred Seventy Thousand and No/100 Dollars (\$270,000.00) provided that (a) Mortgagor, or its beneficiaries, satisfies all of the conditions set forth in Paragraph 34.2 above and (b) prior to the recording of a lien against the Premises Mortgagor shall have delivered to Mortgagee an irrevocable letter of credit in form acceptable to Mortgagee issued by an institution reasonably acceptable to Mortgagee in the amount of Two Hundred Seventy Thousand and No/100 Dollars (\$270,000.00) in which Mortgagee is the beneficiary and the expiration date is October 1, 1992 (or shorter term provided substitute letters of credit in form acceptable to Mortgagee issued by an institution reasonably acceptable to Mortgagee in the amount of Two Hundred Seventy Thousand and No/100 Dollars (\$270,000.00) in which Mortgagee is beneficiary are delivered to Mortgagee, from time to time, no later than thirty (30) days prior to the expiration of any letter of credit expiring prior to October 1, 1992) and which may be presented for payment if accompanied by a sworn certificate executed by Mortgagee certifying that Mortgagor is in default (beyond applicable cure periods) under this Mortgage. In the event that the aforesaid letter of credit is cashed Mortgagee agrees to apply the proceeds thereof in reduction of the outstanding liabilities under this Mortgage, it being understood and agreed by the parties that in so cashing said letter of credit Mortgagee shall in no way be deemed to waive any of Mortgagee's other remedies available under this Mortgage, at law or in equity.

34.4 No later than April 15, July 15, October 15 and January 15 of each year (the "Notice Date") Mortgagor, or its beneficiaries, shall deliver to Mortgagee (i) a written certification from the beneficiaries of Mortgagor and from Cardinal Federal Savings Bank, a federally chartered savings bank ("Cardinal"), addressed to Mortgagee certifying to Mortgagee the total amount of (a) the principal indebtedness, from time to time, under that certain Note of even date herewith (the "Cardinal Note") made by Mortgagor to the order of Cardinal and all replacements, renewals and extensions thereof, in whole or in part according to its tenor and effect, and (b) all other sums which may be due and owing or required to be paid, from time to time, under the Cardinal Note or that certain Wrap-Around Leasehold Mortgage of even date herewith made by Mortgagor to Cardinal (the "Cardinal Mortgage") and (c) all other sums which may, from time to time, be advanced and secured by the Cardinal Mortgage (all of the foregoing indebtedness to Cardinal, collectively, the "Cardinal Lien") as of April 1, July 1, October 1 and January 1 of the year for which such notice is being given and (ii) a letter of credit in form acceptable to Mortgagee issued by an institution reasonably acceptable to Mortgagee in such amount so that at all times, and from time to time, Mortgagee shall have a letter of credit in an amount equal to the amount by which the Cardinal Lien exceeds the sum of Nineteen Million Two Hundred Seventy Thousand and No/100 Dollars (\$19,270,000.00) (the "Excess Indebtedness"). Mortgagee shall be the beneficiary of such letter of credit and the expiry date of such letter of credit shall be October 1, 1992 (or shorter term provided substitute letters of credit in form acceptable to Mortgagee issued by an institution reasonably acceptable to Mortgagee in amount of the Excess Indebtedness are delivered to Mortgagee, from time to time, no later than thirty (30) days prior to the expiration of any letter of credit expiring prior to October 1, 1992) and such letter of credit shall provide that it may be presented for payment if accompanied by a sworn certificate executed by Mortgagee certifying that Mortgagor is in default (beyond any applicable cure periods) under this Mortgage. A failure of Mortgagor, or its

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beneficiaries, to deliver the aforesaid certification and a letter of credit in the amount of the Excess Indebtedness to Mortgagee on or before the Notice Date or a material inaccuracy in said certification, or all or any of the foregoing, from time to time, shall, without any notice to Mortgagor, be an immediate event of default under this Mortgage (and no cure period applicable to other defaults under this Mortgage shall apply), it being understood and agreed that a failure by Mortgagor, or its beneficiaries, to deliver such certification and letter of credit as required hereunder shall result in, at the option of the Mortgagee, the whole of the Indebtedness becoming immediately due and payable without notice to Mortgagor, or its beneficiaries. In the event that a letter of credit delivered pursuant to this Paragraph 34.4 is cashed Mortgagee agrees to apply the proceeds thereof in reduction of the outstanding indebtedness under this Mortgage, it being understood and agreed by the parties that in so cashing such letter of credit Mortgagee shall in no way be deemed to waive any of Mortgagee's other remedies available under this Mortgage, at law or in equity.

34.5 The subordination provisions with respect to the Cardinal Mortgage set forth as Exhibit "D" attached hereto are hereby incorporated in full by this reference.

Subrogation.

35. Mortgagor covenants and agrees that, to the extent Mortgagee pays any installment of principal or interest or any other sums due under the Prior Mortgage, Mortgagee shall become entitled to a lien on the Premises hereunder in such amounts as the lien of the Prior Mortgage is reduced by such payments but equal in rank and priority to the Prior Mortgage and, in addition, to the extent necessary to make effective such rank and priority: (i) Mortgagee shall become subrogated to receive and enjoy all of the rights, liens, powers and privileges granted to the mortgagee under the Prior Mortgage and (ii) the Prior Mortgage shall remain in existence for the benefit of and to further secure the debt and other sums secured, or that hereafter become secured, hereunder. Contemporaneously herewith Mortgagor and Mortgagee have executed a subrogation agreement to which reference is hereby made for the terms thereof; provided, however, that all of the rights, liens, powers and privileges granted under this Paragraph shall terminate when the Note secured by the Prior Mortgage has been paid in full.

Mortgagee does not assume any of the Mortgagor's duties and obligations under the Prior Mortgage, the Note secured thereby or any instrument evidencing or securing the indebtedness secured by the Prior Mortgage.

Prior Mortgage and Ground Lease.

36. Notwithstanding anything to the contrary herein, Mortgagee agrees: (a) to assert its right herein to insurance and condemnation proceeds only to the extent that exercise of such right does not conflict with the rights thereto of the mortgagees under either of the Prior Mortgages listed on EXHIBIT "C" attached hereto or the Ground Lease and (b) that compliance by Mortgagor with any term, covenant or condition hereof is waived if, or to the extent that, compliance with such term, covenant or of condition as the case may, would constitute a default under either of the Prior Mortgages, the Ground Lease or the Garage Sublease.

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Notice of Default in Prior Mortgage.

37. Mortgagor shall provide Mortgagee with a written copy of each and any notice received by or given by Mortgagor of each and any default by any party under either of the Prior Mortgages listed in EXHIBIT "C" hereof.

Right to Acquire.

38. It is the understanding and intention of the parties that upon Mortgagee's payment in full of either of the Prior Notes, Mortgagee shall be entitled, if it so elects, to acquire the applicable Prior Mortgage from the holder thereof by assignment and without the satisfaction thereof. If Mortgagee so elects, then Mortgagor shall be obligated to pay any and all expenses of such assignment including, but not limited to, title company charges and recording and filing fees and, of course, shall make all payments and perform all covenants required by the Prior Note and Prior Mortgage so acquired to Mortgagee.

39. Deliberately Omitted.

Real Estate Tax Impounds.

40. Notwithstanding anything to the contrary contained in this Mortgage, Mortgagor shall only be required to make the deposits for contesting the validity or amount of any Liens as described in Paragraph 1A of this Mortgage or for real estate taxes and assessments described in Paragraphs 3 of this Mortgage if and to the extent that any such deposits made by Mortgagor to the holder of any of the Prior Mortgages are insufficient to pay such Liens, real estate taxes or assessments, as the case may be, in the reasonable judgment of Mortgagee.

Insurance Policies.

41. Notwithstanding anything to the contrary contained in this Mortgage, Mortgagor may deliver to Mortgagee certified copies of any insurance policies required to be delivered by Mortgagor under this Mortgage, including the renewals thereof (in lieu of the originals of any such policies) if the originals of any such policies must be furnished to the holder of either of the Prior Mortgages pursuant to the terms of the Prior Mortgages.

Superiority/Subordination of Leases.

42. The tenant occupancy leases of the Premises in effect on the date hereof will be superior or subordinate to the lien of this Mortgage, as the terms of such leases may provide; provided, that if such leases can be subordinated, Mortgagor, upon Mortgagee's request, will take all necessary action to effectuate the subordination.

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Garage Lease

43. Notwithstanding anything to the contrary contained in this Mortgage, Mortgagor hereby agrees that an uncured default by Mortgagor under the Garage Lease (as amended and with option to renew) by and between Mortgagor, as Lessor, and SAKS AND COMPANY, as Lessee, ("Garage Lease") dated November 5, 1968, or an uncured default by Mortgagor under the Garage Sublease as amended between SAKS AND COMPANY, as sublessor, and CLARIDGES PARKING CORPORATION, as sublessee, dated July 1, 1971, the sublessee's interest therein having been assigned to Mortgagor as sublessee on February 15, 1977, shall be a default under the Note and this Mortgage.

43.1 In addition to, and in no way in limitation of, Paragraph 43 above, Mortgagor hereby represents and covenants:

(1) That the Mortgagor will defend the leasehold estate created by the Garage Lease for the entire remainder of the term set forth therein against all and every person or persons lawfully claiming, or who may claim the same or any part thereof.

(2) That the Mortgagor shall at all times promptly and faithfully keep and perform, or cause to be kept and performed, all covenants and conditions contained in the Garage Lease by the Lessee therein to be kept and performed and in all respects conform to and comply with the terms and conditions of the Garage Lease and the Mortgagor further covenants that it will not do or permit anything to be done, the doing of which, or refrain from doing anything the omission of which will be grounds for declaring a forfeiture of the Garage Lease, and upon any such failure after the expiration of any applicable cure period thereunder, Mortgagor shall be subject to all of the rights and remedies of Mortgagee in this Mortgage contained, including but not limited to acceleration of the debt secured hereby and foreclosure hereof.

Mortgagor also covenants that it will not modify, extend or in any way alter the term of the Garage Lease without the prior written consent of Mortgagee, which consent Mortgagee shall not unreasonably withhold, or cancel or surrender the Garage Lease, or waive, execute, condone or in any way release or discharge the Lessor thereunder of or from the obligations, covenants, conditions and agreements by the Lessor to be done and performed; and Mortgagor does by these presents expressly release, relinquish and surrender unto the Mortgagee all its right, power and authority to cancel, surrender, amend, modify or alter in any way the terms and provisions of the Garage Lease except as otherwise provided herein, and any attempt on the part of the Mortgagor to exercise any such right without the written authority and consent of the Mortgagee thereto being first had and obtained shall constitute a default under the terms hereof and the entire indebtedness secured hereby shall, at the option of the Mortgagee, become due and payable forthwith and without notice.

The entire indebtedness shall immediately become due and payable at the option of the Mortgagee, if the Mortgagor fails to give the Mortgagee prompt notice of any default under the Garage Lease or of the receipt by it of any notice of default from the Lessor or if the Mortgagor fails to furnish to the Mortgagee promptly any and all information which it may reasonably request concerning the performance by the Mortgagor of the covenants of the Garage Lease, or if the Mortgagor fails to permit forthwith the Mortgagee or its representative at all reasonable times to make investigation or examination concerning the performance by the Mortgagor of the covenants of the Garage Lease.

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The Mortgagor further covenants and agrees that it will promptly deposit with the Mortgagee a copy of the Garage Lease and any and all documentary evidence received by it showing compliance by the Mortgagor with the provisions of the Garage Lease and will also deposit with the Mortgagee an exact copy of any notice, communication, plan, specification or other instrument or document received or given by it in any way relating to or affecting the Garage Lease which may concern or affect the estate of the Lessor or the Lessee in or under the Garage Lease or in the real estate thereby demised, and upon the Mortgagor's failure so to do, the Mortgagee may, at its option, declare the whole of said principal sum due and payable at once.

In the event of any failure by Mortgagor to perform any covenant on the part of Lessee to be observed and performed under the Garage Lease after the expiration of any applicable cure period, the performance by Mortgagee on behalf of Mortgagor of the Garage Lease covenant shall not remove or waive, as between Mortgagor and Mortgagee, the corresponding default under the terms hereof and any amount so advanced by Mortgagee or any costs incurred in connection therewith with interest thereon at the Default Rate (as defined in the Note), shall be repayable by Mortgagor upon demand and secured hereby.

Trustee.

44. Trustee has no duty to examine the title, location, existence or condition of the Premises, or to inquire into the validity of the signatures or the identity, capacity, or authority of the signatories of the Note or Mortgage, nor shall Trustee be obligated to record this Mortgage or to exercise any power herein given unless expressly obligated by the term hereof, nor be liable for any acts or omissions hereunder, except in case of its own negligence or misconduct or that of the agents or employees of Trustee, and it may require indemnities satisfactory to it before exercising any power herein given.

44.1 Trustee shall release this Mortgage and the lien thereof by proper instrument upon presentation of satisfactory evidence that all indebtedness secured by this Mortgage has been fully paid; and Trustee may execute and deliver a release hereof to and at the request of any person who shall either before or after maturity thereof, produce and exhibit to Trustee the Note (with or without the coupons evidencing interest thereon), representing that all indebtedness hereby secured has been paid, which representation Trustee may accept as true without inquiry. Where a release is requested of a successor trustee, such successor trustee may accept as the Note herein described any note which bears an identification number purporting to be placed thereon by a prior trustee hereunder or which conforms in substance with the description herein contained of the Note and which purports to be executed by the persons herein designated as the makers thereof; and where the release is requested of the original trustee and it has never placed its identification number on the Note described herein, it may accept as the Note herein described any note which may be presented and which conforms in substance with the description herein contained of the Note and which purports to be executed by the persons herein designated as makers hereof.

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44.2 Trustee may resign by instrument in writing filed in the office of the Recorder of Deeds or Registrar of Titles in which this instrument shall have been recorded or filed. In case of the resignation, inability or refusal to act of Trustee, the then Recorder of Deeds or Registrar of Titles, as the case may be, of the county in which the Premises are situated shall be Successor in Trust. Any Successor in Trust hereunder shall have the identical title, powers and authority as are herein given Trustee, and any Trustee or successor shall be entitled to reasonable compensation for all acts performed hereunder.

Exculpatory.

45. This Mortgage is executed by the Mortgagor, not personally, but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee (and Lake Shore National Bank, as Trustee under Trust Number 4967 hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing contained herein or in the Note shall be construed as creating any liability on the Mortgagor personally or on Lake Shore National Bank personally to pay the Note or any interest, late charge or premium that may accrue thereon, or any indebtedness secured by this Mortgage, or to perform any covenant, either express or implied herein contained, all such liability, if any, being expressly waived by Mortgagee and by every person now or hereafter claiming any right or security hereunder, and that so far as Mortgagor and Lake Shore National Bank personally are concerned, the legal holder or holders of the Note and the owner or owners of any indebtedness secured hereby shall look solely to the Premises and Collateral hereby mortgaged, conveyed and assigned and to any other security given at any time to secure the payment thereof.

IN WITNESS WHEREOF, the Mortgagor has executed this instrument as of the day and year first above written.

LAKE SHORE NATIONAL BANK, not individually, but as Trustee under Trust Agreement Number 4967 as aforesaid

By: Robert U. Casentini
(Title)
TRUST OFFICER

Identification No. 700357

CHICAGO TITLE AND TRUST COMPANY

By: Joseph E. Pincus Trustee
Asst Vice President

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STATE OF ILLINOIS)
COUNTY OF COOK)

I, Elizabeth H. [unclear], a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY THAT Robert A. Cosenow and [unclear] personally known to me to be the Trust Officer and President of Lake Shore National Bank in whose name, as Trustee, the above and foregoing instrument is executed, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his free and voluntary act and as the free and voluntary act of said bank as Trustee as aforesaid, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 24th day of February, 1985.

[Signature]
NOTARY PUBLIC

My Commission expires:

My Commission Expires
27 Jan. 10, 1988

(Impress notarial seal here)

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EXHIBIT "A"

The Premises shall constitute the following:

1. The leasehold estate created by that certain Lease dated November 5, 1968, between Saks & Company, a New York corporation, as Lessor, and Lake Shore National Bank as Trustee under Trust Agreement dated September 30, 1968, and known as Trust No. 2158, as Lessee, a Memorandum of which was recorded April 8, 1969, as Document No. 20804412 and amended by an instrument recorded on June 28, 1971, as Document No. 21525962, which lease demises the land described below, except the improvements now located thereon:

The South East 1/4 (except the West 1-1/2 feet thereof) of block 45 in Kinzie's Addition to Chicago in the North Fractional 1/2 of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

2. Ownership of the buildings and improvements now located on the above described parcel of land.

3. The leasehold estate created by that certain Garage Sublease dated July 1, 1971 between Saks & Company, a New York corporation, as Lessor, and Clarides Parking Corporation, an Illinois corporation, as Lessee; the interest of the Lessee thereunder being assigned to Lake Shore National Bank as Trustee under Trust Agreement dated September 30, 1968, and known as Trust No. 2158, pursuant to a certain Assignment dated February 15, 1977, and recorded on April 28, 1977, as Document No. 23905705.

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EXHIBIT "A"

LEGAL DESCRIPTION

The Southeast 1/4 (except the west 1 1/2 feet thereof) of block 45 of Kinzie's addition to Chicago in the North Fractional 1/2 of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Tax Number: 17-10-106-007

Street Address: 140-160 East Huron Street
Chicago, Illinois 60611

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EXHIBIT "B"
SCHEDULE OF LEASES

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Clerk's Office

1. Lease dated October 8, 1976, with Blue Cross Association. Assignment to Near North Insurance Agency dated January 30, 1981. Modification by a Letter Agreement dated December 20, 1983. Purchaser acknowledges that Purchaser has been advised that the tenant is in default under said Lease, as modified.
2. Lease dated May 17, 1974, with Public Relations Board, Inc. Amended December 16, 1984.
3. Lease dated July 13, 1983, with Public Relations Board, Inc. Amended December 16, 1984.
4. Lease dated July 13, 1983, with Financial Relations Board, Inc.
5. Lease dated May 11, 1984, with Financial Relations Board, Inc. Amended December 16, 1984.
6. Lease dated April 18, 1977, with George W. Allen, M.D., S.C. Five (5) year option exercised.
7. Lease dated June 1, 1981, with Anette M. Lotter, M.D., S.C. Assignment to Dr. Mark Karlan dated April 23, 1983. Two (2) year option exercised. Sublease dated May 6, 1983, from Mark S. Karlan to Joseph Lulich and Diana Evans (for 468 square feet).
8. Lease dated June 17, 1976, with Vincent Galione (Plaza Barber Shop). Amendment dated July 27, 1978. Extension Agreement dated May 6, 1981.
9. Lease dated June 1, 1981, with Anna Marie Penaloza d/b/a Anna Marie's Hair Dressing Salon. Two (2) year option exercised.
10. Lease dated January 12, 1982, with Dr. James W. Nicklas, M.D., S.C. and Dr. John Andrews, M.D.
11. Lease dated January, 1982, with David Shoch, M.D. and Robert Wertz, M.D., S.C. A commission will be due if the lease option is exercised.
12. Lease dated May 1, 1984, with Stern Walters/Earle Ludgin, Inc.
13. Lease dated October 1, 1981, with Chartmasters, Inc. Amendment as of February 28, 1983. Amendment as of May 1, 1984.
14. Option Agreement dated January 24, 1979, with Chartmasters, Inc.
15. Lease dated January 27, 1983, with Nagle Gregor Sullivan, M.D., S.C.
16. Lease dated July 13, 1983, with Creative Design Board, Inc.
17. Oral Lease on a month-to-month basis with Anita of the Plaza.
18. Oral Lease on a month-to-month basis with Marj Abrams.
19. Oral Lease on a month-to-month basis with Dr. Cahan.

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EXHIBIT "C"

1. Mortgage dated August 4, 1977, and recorded August 9, 1977, as document number 24050497 made by Lake Shore National Bank, a National Banking Association, as Trustee under Trust Agreement dated September 30, 1968, and known as Trust Number 2158, to John Hancock Mutual Life Insurance Company, a Massachusetts corporation, to secure a Note for \$8,500,000.00.
2. Promissory Note dated August 4, 1977, made by Lake Shore National Bank, a National Banking Association, as Trustee under Trust Agreement dated September 30, 1968, and known as Trust Number 2158, to the order of John Hancock Mutual Life Insurance Company, a Massachusetts Life Insurance Company, in the principal sum of \$8,500,000.00.
3. Assignment of Rents dated August 7, 1977, and recorded August 9, 1977, as document number 24050498 made by Lake Shore National Bank, a National Banking Association, as Trustee under Trust Agreement dated September 30, 1968, and known as Trust Number 2158, to John Hancock Mutual Life Insurance Company.
4. Assignment of Leases dated August 4, 1977, and recorded August 9, 1977, as document number 24050499 made by Huron-St. Clair Company, an Illinois limited partnership, to John Hancock Mutual Life Insurance Company, a Massachusetts corporation.
5. Assignment of Leases dated August 4, 1977, and recorded August 9, 1977, as document number 24050500 made by Lake Shore National Bank, a National Banking Association, as Trustee under Trust Agreement dated September 30, 1968, and known as Trust Number 2158, to John Hancock Mutual Life Insurance Company, a Massachusetts corporation.

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EXHIBIT D

1. That, subject to the terms and conditions contained herein, the subject mortgage and the lien created hereunder shall be and the same are hereby made and shall continue subject and subordinate to the lien created by, as well as to all of the terms, covenants and conditions contained in (a) that certain Mortgage dated February 20, 1985, executed by Lake Shore National Bank, not personally but solely as Trustee under Trust No. 4967, as Mortgagor, in favor of Cardinal Federal Savings Bank, as Mortgagee ("Cardinal"), securing the original principal sum of \$19,270,000.00, now a lien upon the mortgaged premises recorded on _____, 1985 in Mortgage Volume _____ at Page _____, Office of the Recorder of Cook County (hereinafter called "Cardinal Mortgage"), as well as to any and all increases therein (provided the increase is advanced or incurred under any of the express provisions of the Cardinal Mortgage or any extension, consolidation, modification or supplement thereto or under the Assignment hereinafter referred to), extensions, consolidations, modifications or supplements thereto, subject only to the lien of that certain Mortgage dated August 4, 1977 made by Lake Shore National Bank, as Trustee under Trust 2158 to John Hancock Mutual Life Insurance Company, recorded on August 9, 1977 in the Recorder's Office of Cook County, Illinois as Document No. 24050497 (the "Prior Mortgage"), and (b) that certain Assignment dated February 20, 1985, executed by Lake Shore National Bank, Trustee under Trust No. 4967, as Assignor, in favor of Cardinal Federal Savings Bank, as Assignee, recorded on _____ in Mortgage Volume _____ at Page _____, Office of the Recorder aforesaid (hereinafter called "Assignment of Leases") of the Lessors' Interest under all of the Leases more particularly identified thereunder, which leases cover portions of the mortgaged premises. The modifications, consolidations and supplements herein referred to shall not be deemed to include any modification, consolidation or supplement which expands the rights of the holder of the Cardinal Mortgage to advance additional indebtedness beyond those rights provided in the existing Cardinal Mortgage and/or Assignments of Leases.

2. That the Mortgagee hereunder, its successors or assigns or any other legal holder hereof shall not acquire by subrogation, contract or otherwise any lien upon other estate, right or interest in the said mortgaged premises (including but not limited to any which may arise in respect to real estate taxes, assessments or other governmental charges) which is or may be prior in right to the Cardinal Mortgage or any extension, consolidation, modification or supplement thereto or to the said Assignment of Leases.

3. A. That the subject Mortgage and the lien thereof shall be expressly subject and subordinate to any and all advances, in whatever amounts and whenever made, with interest thereof, and to any expenses, charges and fees incurred thereby, including any and all of such advances, interest (including accrued but unpaid and/or capitalized interest), expenses, charges and fees which may increase the indebtedness secured by the Cardinal Mortgage above the original principal amount thereof, provided the same is advanced or incurred under any of the express provisions of the Mortgage or

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Note or any extension, consolidation, modification or supplement thereto or under the said Assignment of Leases, or otherwise, and intended to be secured thereby or under the Assignment of Leases, except that the lien of the Cardinal Mortgage shall be expressly subject to and subordinate to the lien of this Mortgage and this Mortgage shall not be subject to and subordinate to the lien of the Cardinal Mortgage with respect to "Additional Loan Advances" (as hereinafter defined) and any interest thereon, and any expenses, charges and fees in connection therewith or any "Post Default Advances" (as hereinafter defined but only under the circumstances set forth below) and any interest thereon, and any expenses, charges and fees in connection therewith. For the purposes of this paragraph 3., the term "Additional Loan Advances" shall mean advances of principal above the original principal amount (including accrued but unpaid and/or capitalized interest) secured by the Cardinal Mortgage made by Cardinal to Mortgageor under a modification, consolidation or supplement to the Cardinal Mortgage which expands the rights of the holder of the Cardinal Mortgage to advance additional indebtedness beyond those rights provided in the Cardinal Mortgage and/or Assignment of Leases of even date herewith.

B. The lien of this Mortgage shall not be subject to and subordinate to the lien of the Cardinal Mortgage with respect to Post Default Advances if, and only if, all of the following conditions shall have been satisfied:

- (a) A default has occurred under the Cardinal Mortgage and remains uncured following the expiration of all applicable grace periods granted to the mortgageor under the original Cardinal Mortgage (i.e., the unamended Cardinal Mortgage [the "Original Cardinal Mortgage"]) (the "Foreclosure Default"); and
- (b) The holder hereof shall have delivered to the holder of the Cardinal Mortgage written notice, which notice is delivered after the holder of the Cardinal Mortgage shall have the right under the terms and provisions of the Original Cardinal Mortgage and the other Original Cardinal loan documents and under applicable law to accelerate the indebtedness thereby secured and to validly proceed to foreclose the lien of the Cardinal Mortgage demanding that the holder of the Cardinal Mortgage accelerate the indebtedness thereby secured and diligently proceed to foreclose the lien of the Cardinal Mortgage ("the PM Notice"); and
- (c) The holder of the Cardinal Mortgage shall have the right under the terms and provisions of the Original Cardinal Mortgage and the other Original Cardinal loan documents and under applicable law to accelerate the indebtedness thereby secured and validly proceed to foreclose the lien of the Cardinal Mortgage; and
- (d) The holder of the Cardinal Mortgage shall fail to so accelerate the indebtedness thereby secured and to file an action to foreclose the lien of the Cardinal Mortgage within 60 days following receipt of the PM Notice (the "Foreclosure Commencement Period"); and *and one of 6 to diligently proceed to foreclose the*
- (e) The Mortgageor under the Cardinal Mortgage has not repaid (with its own funds or funds obtained from sources other than from Cardinal) all Post Default Advances.

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For the purposes of this paragraph 3 the term "Post Default Advance" shall mean the amount by which any and all advances, in the aggregate, made by Cardinal after the Foreclosure Default (together with any interest thereon and any expenses, charges and fees in connection therewith) exceeds \$100,000.

4. That the Mortgagee hereunder, its successors or assigns or any other legal holder of the subject Mortgage shall agree to assign and release unto the legal holder of the Cardinal Mortgage:

(a) All of its right, title, interest or claim, if any, in and to the proceeds of all policies of insurance covering the mortgaged premises for application upon the indebtedness secured by or other disposition thereof in accordance with the provisions of the Cardinal Mortgage and of the said Assignment of Leases; and

(b) All of its right, title and interest or claim, if any, in and to all awards or other compensation made for any taking of any part of the mortgaged premises to be applied upon the indebtedness secured by or disposed of in accordance with the provisions of the Cardinal Mortgage and of the said Assignment of Leases.

In the event that following any such application and disposition of the insurance proceeds and condemnation award and other compensation, any balance remains, then such excess shall be made payable in accordance with the provisions of this Mortgage.

5. To the extent the legal holder of Cardinal Mortgage shall at any time release to the Mortgagor any such insurance proceeds or condemnation award for the purpose of restoration of the Mortgaged Premises, such releases shall not be deemed to be an additional advance under the Cardinal Mortgage nor shall it otherwise be deemed to be in violation of any restriction of the within Mortgage upon the amount permitted to be secured by the Cardinal Mortgage and to which the within Mortgage is subordinate.

6. That the subject Mortgage and the lien thereof shall be and the same are hereby made and shall continue subject and subordinate to any and all leases upon all or any part of the mortgaged premises to which the lien of the Cardinal Mortgage shall now be or shall hereafter have been made subject and subordinate.

7. That so long as the Cardinal Mortgage shall remain upon the mortgaged premises or any part thereof, the Mortgagee hereunder, its successors or assigns or any other legal holder hereof shall execute, acknowledge and deliver, upon demand, at any time or times, any and all further subordinations or other instruments in recordable form reasonably sufficient for that purpose or that the Mortgagor hereunder or the Mortgagee, its successors or assigns or other legal holder of the Cardinal Mortgage may hereafter reasonably require for carrying out the true purpose and intent of the foregoing covenants.

8. That upon the termination of the lease (hereinafter called "Ground Lease") upon which Cardinal Mortgage is a lien subject only to the lien of the Prior Mortgage and the within mortgage a subordinate lien thereon, as herein more particularly identified, and upon the exercise of the election by the holder of the Cardinal Mortgage as provided

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in Section 9.3 of the Ground Lease to obtain a new lease of the same demised premises upon the same terms and provisions as the Ground Lease, the Mortgagee hereunder hereby waives any right of redemption provided or permitted by any statute, law or decision now or hereafter in force and does hereby waive, surrender and give up all rights and privileges which it may have under and by reason of any future law or decision, to redeem the demised premises or for a continuation of the Ground Lease for the term thereby demised after the Lease thereunder has been dispossessed or ejected therefrom either by process of law or otherwise.

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