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EXHIBIT G

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INDEX TO TRUST DEED AND SECURITY AGREEMENT

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TRUST DEED AND SECURITY AGREEMENT

THIS INDENTURE, made MAY 30, 1985 between LA SALLE NATIONAL BANK, a national bank, not personally but as Trustee under Trust Agreement dated November 28, 1984 and known as Trust No. 109206, herein referred to as "Mortgagor", and CHICAGO TITLE & TRUST COMPANY, a Delaware corporation doing business in Illinois, herein referred to as Trustee, for the benefit of SHERATON BLACKSTONE CORPORATION, a Delaware corporation, herein referred to as "Beneficiary" or "Noteholder", witnesseth:

THAT, WHEREAS the Mortgagor is justly indebted to the Noteholder of the Principal Note hereinafter described in the total principal sum of Twenty-Nine Million Five Hundred Thousand and No/100 DOLLARS (\$29,500,000.00), evidenced by the Principal Note of the Mortgagor of even date herewith, made payable and delivered to the Beneficiary, said Principal Note providing for monthly interest payments, with the full debt, if not paid earlier, due and payable December 31, 1996 ("Due Date"). The Principal Note is an adjustable rate note and on January 1, 1986 and on the first day of January of each year thereafter ("Adjustment Date") the Interest Rate should be computed as follows: for the First Loan Year (from the date of the Principal Note to December 31, 1985), the Interest Rate ("Initial Interest Rate") shall be Eleven and twenty-five Hundredths (11.25%) percent per annum and for each successive twelve month period thereafter commencing on January 1 and ending December 31 ("Loan Year"), the Interest Rate shall be equal to the sum of the Interest Rate for the prior Loan Year plus the difference (plus or minus) between the T-Bill Rate (as defined hereafter) on the Adjustment Date in the subject Loan Year and the T-Bill Rate on the Adjustment Date in the immediately preceding Loan Year (or, with respect to the first

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such adjustment, the date hereof) but in no event greater than 15.25 percent per annum or less than 7.25 percent per annum. The T-Bill Rate is the average of the quoted interest rate on 90-day United States Treasury Bills on the last Monday of each of the six calendar months immediately preceding the Adjustment Date (or, with respect to the first such adjustment, the last Monday in each of the six calendar months immediately preceding the date hereof).

For purposes hereof, the term Minimum Interest Payment Rate is defined as follows: four (4%) percent per annum during the First Loan Year; six (6%) percent per annum during the Second Loan Year; eight (8%) percent per annum or the Interest Rate, whichever is less, during the Third Loan Year; nine (9%) per annum or the Interest Rate, whichever is less, during the Fourth Loan Year; ten (10%) percent per annum or the Interest Rate, whichever is less, during the Fifth Loan Year; and the Interest Rate for the remaining Loan Years thereafter.

The Mortgagor shall pay interest to Noteholder as follows:

- (a) for each of the first five Loan Years of the term hereof,

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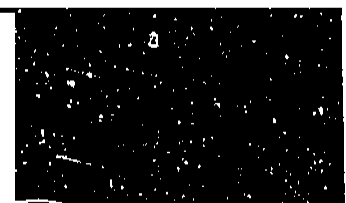
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- (i) interest, payable in installments on the last day of each month, calculated on the then outstanding Principal Balance at the Minimum Interest Payment Rate; plus
- (ii) on March 31, 1986 through 1990, both inclusive, following receipt by Noteholder of certified financial statements required pursuant to Article III, paragraph 2 herein, Available Cash Flow (as hereinafter defined), if any, for the prior Loan Year in excess of the amount payable under clause (i) of this subparagraph plus \$200,000, provided that the aggregate payments for such Loan Year pursuant to this subparagraph (a) shall not exceed the amount of interest which would have been paid under clause (i) above if the monthly installments referred to therein were calculated at the Interest Rate.
- (b) for each of the remaining Loan Years of the term hereof, interest, payable in installments on the last day of each month, calculated on the then outstanding Principal Balance at the Interest Rate.

"Available Cash Flow" is defined as that amount by which Total Revenue is in excess of Operating Expenses which are reasonably and properly attributable to the operation of the Sheraton International at O'Hare Hotel (the "hotel") under the Mortgagor's system of accounting. "Total Revenue" shall mean all income and proceeds of sale of every kind (whether in cash or in credit) resulting from the operation of the hotel and of all of the facilities therein, including without limitation, all income received from tenants, guests, lessees, licenses or concessionaires or other persons occupying either

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will be deemed given. The term Operating Expenses shall not include any of the following:

- a. Any depreciation.
- b. Any fees or allocation of expenses in excess of ten percent (10%) of the Management Fee.
- c. The cost of any employee bonus program for employees of an independent hotel operator other than standard programs that have been consented to in writing by Beneficiary, which consent shall not be unreasonably withheld.
- d. The cost of structural additions or modifications or capital improvements to the hotel, unless such additions, modifications, or improvements are required by law or are otherwise made to cure a violation or defect.
- e. Debt service associated with any additional debt other than the debt covered by the Trust Deed.

For the purpose of determining Available Cash Flow, all expense and revenue ^{items} (except as otherwise specifically provided above) shall be determined on an accrual basis method of accounting.

In the event that there is any question or dispute amongst the parties as to whether or not any specific item is to be included within or excluded from the definitions set forth above, the parties acknowledge that such question or dispute shall be determined in accordance with the "Uniform System of Accounts for Hotels" (7th Revised Edition, 1977) as adopted by the American Hotel and Motel Association of the United States and Canada (herein referred to as "Uniform

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System*) with such exceptions as may be required by the provisions hereof, as interpreted by an independent certified public accountant or auditor satisfactory to both Mortgagor and Noteholder.

That portion of the interest due hereunder for the first five (5) Loan Years which is not payable under the foregoing provisions shall become due and payable as follows:

- (a) for the first three Loan Years of the term hereof, collectively, on March 31 of the Fourth Loan Year;
- (b) for the fourth Loan Year of the term hereof, on March 31 of the Fifth Loan Year; and
- (c) for the fifth Loan Year of the term hereof, on March 31 of the sixth Loan Year.

No interest shall accrue or be payable on any portion of the interest deferred hereunder unless and until such deferred interest is advanced by Noteholder to Mortgagor pursuant to the following paragraph.

At the request of the Mortgagor, Noteholder shall advance to the undersigned such additional sums as may be required to enable the undersigned to make the payments required pursuant to the preceding paragraph ("Future Advances"). The maximum Future Advances which the Noteholder shall be obligated to make pursuant to this paragraph shall not exceed \$29,500,000.

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CONVEYING CLAUSE

NOW, THEREFORE, the Mortgagor, to secure the payment of said principal sum of money and any future advances and said interest in accordance with the terms, provisions and limitations of the Principal Note and this Trust Deed and Security Agreement, and the performance of the covenants and agreements in said Principal Note and Trust Deed and Security Agreement contained, by the Mortgagor to be performed, and also in consideration of the sum of One Dollar in hand paid, the receipt whereof and sufficiency of which is hereby acknowledged, does by these presents grant, bargain and sell, mortgage, CONVEY and WARRANT, confirm, assign, transfer and set over unto the Trustee, its successors and assigns, the following described Real Estate and all of its estate, right, title and interest therein situate, lying and being in the City of Rosemont, County of Cook, and State of Illinois, as more fully described on Exhibit B attached hereto, which, with the property hereinafter described, is referred to herein as the "premises,"

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto now or hereafter belonging, and all rents, 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 real estate and not secondarily); reversions and subreversions,

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under any leases or subleases of part or all of said premises, whether prior or subsequent to this Trust Deed, and all other rights, now or hereafter existing, of any lessor or sublessor, which are hereby specifically assigned and transferred primarily and on a parity with said real estate; and all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled) and ventilation; including (without restricting the foregoing) screens, window shades, storm doors and windows, floor coverings, beds, awnings, stoves and water heaters; present and future streets, roads, ways, sidewalks, curbs, alleys, and areas adjoining said premises; all machinery, furniture, equipment, inventory, good will, and personal property (including the use of the telephone number for the hotel); the ownership and benefit of any and all agreements, contracts, guarantees, warranties, bonds, permits and liquor licenses as permitted by law, letters of credit present or future title assurance of all kinds, subordinations, attornment agreements; and, without limitation, other instruments or undertakings, now or hereafter existing, intended for the benefit of the Mortgagor or said premises, including service and maintenance contracts and permits and estoppel agreements (hereinafter referred to as "Personal Property"). All of the foregoing are declared to be a part of said real estate whether

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physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the premises by the Mortgagor or its successors or assigns shall be considered as constituting part of the real estate.

I.

FUTURE ADVANCES COVENANTS

It is understood that at any time before the cancellation and release of this Trust Deed and Security Agreement, the Principal Note and Trust Deed and Security Agreement, including the terms of repayment thereof, may from time to time be modified or amended in writing by the parties liable thereon and the Noteholder to include any future advance or advances for any purpose made by the Noteholder, at its option, including the schedule of optional future advances previously set forth. Mortgagor covenants and agrees that this Trust Deed and Security Agreement secures any and all such future advances whether they are of the same or a different kind or quality as the original advances, and whether or not related to the original advances, together with interest as specified in the said Principal Note (unless a different interest rate is specified) as well as the hereinbefore described principal and interest now evidenced by said Principal Note, the total principal amount secured hereby not to exceed \$ 29,500,000 at any one time, except that this

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limitation is inapplicable to amounts advanced by the Noteholder under ARTICLE III, paragraphs 2 and 4.

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

II.

COVENANTS OF WARRANTY

Mortgagor represents and warrants that (i) subject to the Permitted Exceptions that are attached as Exhibit C, it is lawfully seized and possessed of good and indefeasible title and estate to the mortgaged real estate, mortgaged leases and all mortgaged chattels, except as otherwise described herein; (ii) Mortgagor will forever warrant and defend such title and every part thereof unto the Trustee against the claims and demands of all persons whomsoever; and (iii) that the mortgaged property and every part thereof is free and clear of all liens, encumbrances and charges of every kind and character, including liens for general and special taxes and assessments excepting taxes for the current year which are not yet due and excepting the lien of this Trust Deed and Security Agreement.

III.

GENERAL COVENANTS

Mortgagor hereby expressly represents, covenants and agrees as follows:

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1. Mortgagor will duly pay to Beneficiary said note above described and each and every installment payment therein provided to be paid, and interest on said note, and all other sums hereby secured, punctually as and when the same shall become due and payable, without relief from valuation or appraisement laws. Mortgagor has the right to prepay principal of the Principal Note, in whole or in part, at any time and from time to time without any prepayment penalty or premium.

2. Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the premises which may become damaged or be destroyed; (b) keep said premises in good condition and repair, without waste, and free from mechanic's or other liens or claims for lien not expressly subordinated to the lien hereof except as may be contested by Mortgagor in good faith and upon posting of security reasonable to protect Noteholder; (c) pay when due any indebtedness which may be secured by a lien or charge on the premises superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to Trustee or to the Noteholder; (d) complete within a reasonable time any building or buildings at any time in process of erection upon said premises; (e) make no material or structural alterations in said premises in excess of \$100,000 without the written consent of the Noteholder, which approval will not be unreasonably withheld, except as required by law or municipal

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ordinance; (f) provide, at Mortgagor's expense, 60 days after the close of every fiscal year of Mortgagor, a certified financial statement as provided under the Franchise Agreement, to enable the Noteholder to determine the Escrow Deposits (as hereinafter defined) and the Available Cash Flow. Noteholder or its representatives, upon not less than five days' prior written notice and without undue interference to Mortgagor's business, may examine the books and records of Mortgagor whenever such examination, in the opinion of Noteholder, is useful or necessary for the administration of this loan.

3. Mortgagor agrees that there shall be added to each monthly payment required hereunder, or under the Principal Note, an amount reasonably estimated by the Noteholder to be sufficient to enable the Noteholder to pay, at least 5 days before they become subject to interest or penalty, all taxes, assessments required hereunder and other similar charges against the premises ("charges"). Such added payments shall be hereinafter referred to as "Escrow Deposits". Noteholder shall establish the escrow account at a bank and the funds therein shall be invested as requested by the Mortgagor and reasonably approved by Noteholder. Mortgagor shall be entitled to the interest earned in the escrow account. Upon presentation to the Noteholder by Mortgagor of the bills therefor, Noteholder will use the Escrow Deposits to pay the charges before they become subject to interest or penalty. Upon demand Mortgagor

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agrees to deliver to Noteholder such additional monies as are necessary to make up any deficiency in the Escrow Deposits which are necessary to enable Noteholder to pay said charges at least 5 days before they become due. The failure of Mortgagor to honor such a demand within 10 days of said demand shall permit but will not require the Noteholder to pay, with its own funds, such charges. The repayment of said funds advanced by Noteholder, together with interest ("Default Interest Rate") thereon at the rate of three (3) percentage points over the Prime Rate as announced by The Continental Bank in Chicago or its successor, shall be secured by this Trust Deed and Security Agreement. Any excess in said Escrow Deposits shall be credited to subsequent payments to be made for the charges. In the event of a default by Mortgagor in the performance of any terms, covenants or conditions hereunder or in the Principal Note, and the failure to cure defaults within any applicable grace period, the Noteholder may apply on the indebtedness secured hereby, in such manner as the Noteholder shall determine in its sole discretion, any Escrow Deposits of the Mortgagor. To prevent default hereunder Noteholder shall pay in full out of the escrow proceeds under protest, in the manner provided by statute, any tax or assessment which Mortgagor may desire to contest. Mortgagor is entitled to any real estate tax refunds for any years after the closing date.

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4. Subject to Paragraph 3 above, Mortgagor will promptly pay and discharge, or cause to be paid and discharged, all taxes, general and special, levies, charges and assessments of every kind which may have been or shall be lawfully charged or assessed against the mortgaged property, or any part thereof, or which may become a lien thereon, or on or against any interest in said mortgaged property, or any part thereof, and will duly pay and discharge all taxes, assessments and governmental charges against Mortgagor, including, but not by way of limitation, income taxes, social security taxes and all charges incidental to the recording of this instrument, and unemployment taxes, as well as all claims for labor, materials and supplies provided after the date hereof, which if unpaid might by law or proceedings become a lien or charge upon any of the mortgaged property, and upon the request of Beneficiary, Mortgagor will furnish satisfactory evidence of the payment and discharge of any of the foregoing items, and Mortgagor will not suffer or permit any property subject hereto to be sold for any taxes or assessments or to be forfeited therefor; provided, however, Mortgagor may in good faith contest the validity thereof, and in case of such contest provide for the payment and security thereof in a manner reasonably satisfactory to Beneficiary.

5. Except in the ordinary course of business, Mortgagor will not make, or suffer to be made, any lease of the

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premises or any part thereof, or any modification, extension or cancellation of any existing or future lease, without Beneficiary's prior written consent. Mortgagor will perform all its obligations under all such leases. Upon Beneficiary's request from time to time, Mortgagor agrees to furnish Beneficiary a statement, in affidavit form and in such reasonable detail as Beneficiary may require, of all leases on the premises and, on demand, to furnish Beneficiary executed counterparts of any and all such leases.

6. Mortgagor will not use or permit to be used the mortgaged property or any part thereof in any manner inconsistent with the rights of Beneficiary hereunder, or in violation of the provisions of any insurance policy or any rules or regulations of insurance underwriters, and in the use of said mortgaged property or any part thereof, or in the construction of improvements on or adjoining the mortgaged property, will in all material respects comply with or cause to be complied with, all valid laws, ordinances, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body, officer or department now or hereafter applicable to the mortgaged property or to the uses and purposes thereof, and will maintain and use the mortgaged property in material compliance therewith and in condition requisite thereunto.

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7. This mortgage loan is governed by the doctrine of economic compulsion, toward the end that any advancements made by the Beneficiary necessary, in its reasonable judgment, to protect its position, including, without limitation, advancements to pay delinquent real estate taxes, shall be deemed obligatory advances, and all other lienors are charged with notice of this provision.

8. Mortgagor will maintain its corporate status, charter and authority to do business, all in good standing under the laws of its state of incorporation and shall at all times be and remain qualified to do business in Illinois.

9. As further security for the indebtedness secured hereby and in confirmation of the grant of the security interest made herein, Mortgagor, for itself and its successors, will execute and deliver or cause to be executed and delivered financing statements giving to said Beneficiary or Trustee a first perfected security interest in the furniture, furnishings, good will, machinery, inventory, equipment, fixtures, liquor licenses (to the extent permitted by law), telephone numbers, and all other items of personal property now or hereafter located on the mortgaged premises and used by Mortgagor or its successors in the operation of its business, and all additions to and replacements thereof. If Beneficiary shall from time to time require new financing statements to the end that the indebtedness shall at all times be secured by a

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first lien, then Mortgagor or its successors shall execute and deliver said financing statements or cause the same to be executed and delivered to Beneficiary. Mortgagor, its successors and assigns, will execute or cause to be executed such financing statements as may be required by Beneficiary from time to time under the Uniform Commercial Code in order to make said lien effective. If said Mortgagor or its successors shall fail to execute any such financing statement, then any officer or agent of the Beneficiary shall have the right, power and authority to the extent permitted by law to execute said instruments on behalf of Mortgagor or its successors, and this agency shall not be revocable since it is coupled with an interest.

IV.

INSURANCE AND EMINENT DOMAIN COVENANTS

1. Mortgagor shall keep all buildings and improvements now or hereafter situated on said premises insured against loss or damage by fire, lightning or windstorm, and such other risks on a so-called "All Risk" basis as Beneficiary may reasonably request, including business interruption coverage, under policies providing for payment by the insurance companies of monies sufficient to pay the cost of replacing or repairing said buildings and improvements and the business interruption costs, or to pay in full the indebtedness secured hereby, all in companies reasonably satisfactory to the

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Noteholder. Such insurance shall be in a sum equal to such percentage of the insurable value of the property insured as may be required to prevent Mortgagor from being considered as co-insurer thereof. All insurance policies shall be payable, in case of loss or damage, to Noteholder and Mortgagor as their respective rights appear, such rights to be evidenced by the standard mortgage clause to be attached to each policy.

Mortgagor shall deliver all policies, including additional and renewal policies, to the Noteholder, and in case of insurance about to expire, shall deliver renewal policies not less than ten days prior to the respective dates of expiration; and Mortgagor shall also maintain at the cost and expense of Mortgagor such public liability and other insurance as Beneficiary may reasonably request, insuring Mortgagor and Beneficiary and Trustee against liabilities, claims, damages and losses to persons and property arising by reason of the use of the mortgaged property, or arising by reason of the conduct and operation of the business of Mortgagor or its successors.

2. Provided Mortgagor shall not then be in default hereunder, then, at Mortgagor's option, all insurance monies received on account of any loss or damage to the mortgaged property, after deducting therefrom the reasonable charge or expenses paid or incurred in connection with the collection and disbursement of said monies, shall be applied by Beneficiary for the purpose of paying the cost of repair, restoration or

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replacement of the mortgaged property damaged or destroyed if (a) the building can be restored to an architectural and economic unit of the same character and quality and not less valuable than the same was prior to the casualty, and (b) provided that Mortgagor provides beneficiary with assurances reasonably satisfactory to Beneficiary that all of said repairs or restoration will be done within a reasonable time, that the necessary funds are available and adequate for that purpose, and that the work will be completed free and clear of all mechanic's lien claims. Provided it is not in default, Mortgagor can adjust losses up to \$250,000 without prior approval of Noteholder.

3. Subject to the last sentence of Paragraph 2 of this Article IV, Mortgagor grants to Beneficiary full power and authority to make proof of loss under any and all insurance policies, either in the name of Mortgagor or in the name of Beneficiary, and to adjust, settle, collect and receipt for all insurance, and to endorse for and in behalf and in the name of Mortgagor any check, draft or other instrument received therefor, and to collect the proceeds thereof, and also, if default shall occur hereunder, to collect and receipt for any unearned premiums and to apply same on the obligation secured hereby. In the event of foreclosure sale, any and all insurance policies may be assigned without consent of Mortgagor, and Mortgagor authorizes Beneficiary to assign said

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policies to the purchaser or purchasers at such foreclosure sale, or if Beneficiary elects so to do, Beneficiary may collect any unearned premiums and apply the same on the obligation secured hereby.

4. In the event the mortgaged property, or any part thereof, be taken through condemnation proceedings or by virtue of the exercise of the right of eminent domain or pursuant to governmental action or pursuant to conveyance given to avert condemnation, any and all amounts awarded in any such condemnation proceeding for the taking of the mortgaged property, or any part thereof, or given for the conveyance aforesaid, which last are deemed condemnation awards hereunder, after deducting all reasonable charges in connection with the collection and disbursement thereof and further provided that Mortgagor is not then in default hereunder may be applied, at Mortgagor's option, for the purpose of paying the cost of replacement of that part of the mortgaged property so taken or for the repair or restoration of that part of the mortgaged property not so taken, if (a) the building can be restored to an architectural and economic unit of the same character and quality and not less valuable than the same was prior to the condemnation, and (b) provided that Mortgagor provides Beneficiary with assurances reasonably satisfactory to Beneficiary that all of said repairs or restoration will be done within a reasonable time, that the necessary funds are

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available and adequate for that purpose, and that the work will be completed free and clear of all mechanic's lien claims. If the mortgaged land is abandoned by the Mortgagor or if after notice by Beneficiary to Mortgagor that the condemnor offers to make an award or settle a claim for damages, Mortgagor fails to respond to Beneficiary within 30 days after the date such notice is mailed, Beneficiary is authorized to collect and apply the proceeds, at Beneficiary's option, either to restoration or repair of the mortgaged property or to the sums secured by this Trust Deed.

5. If amounts are applied by Beneficiary in reduction of the indebtedness hereby secured, under paragraph 2 or 4 above, then Beneficiary may elect to declare the whole of the remaining indebtedness, if any, immediately due and payable.

6. All insurance monies, all condemnation awards, and all prepayments of the mortgage debt shall be applied in reduction of the last maturing installments of said debt. Such applications do not extend or reduce mortgage payments due hereunder.

v.

INDEMNITY COVENANTS

1. Mortgagor will protect, save harmless and indemnify Beneficiary and Trustee from and against any and all claims, liabilities, costs and expenses, of whatever nature, which may arise or result, directly or indirectly, by reason of

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the use or occupation of the mortgaged property or any part thereof, and will defend any litigation at its own expense, employing counsel reasonably satisfactory to Beneficiary.

2. In the event that any part of the mortgaged property or any additions, betterments, substitutions or replacements shall be destroyed or damaged by any party or from any cause whereby Mortgagor becomes entitled to indemnity therefor from any third person or persons, Mortgagor, for the considerations named, does hereby sell, assign and transfer to Beneficiary all of such sum or sums so due from any such third person or persons, and Beneficiary is hereby authorized to receive, collect and sue for the same, and Mortgagor hereby authorizes and directs that such sum or sums be paid to Beneficiary upon presentation of a duly certified copy hereof. Any and all sums received by Beneficiary hereunder, after deducting therefrom the reasonable charge or expenses paid or incurred in connection with the collection and disbursement of said monies, may be used and applied for the purpose of paying the cost of repair, restoration or replacement of the mortgaged property damaged or destroyed if Mortgagor so elects and if (a) the building can be restored to an architectural and economic unit of the same character and quality and not less valuable than the same was prior to the destruction or damage, and (b) provided that Mortgagor provides Beneficiary with assurances reasonably satisfactory to Beneficiary that all of said repairs

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or restoration will be done within a reasonable time, that the necessary funds are available and adequate for that purpose, and that the work will be completed free and clear of all mechanic's lien claims.

VI.

ADDITIONAL DEBT COVENANTS

In case of default and failure to cure within any applicable grace period provided herein, Trustee or the Noteholder may, but need not, make any payment or perform any act hereinbefore required of Mortgagor or to otherwise protect Noteholder's position in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim hereof, or redeem from any tax sale or forfeiture affecting said premises or contest any tax or assessment. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including reasonable attorneys' fees incurred by Noteholder or Trustee in appearing in or prosecuting any suit or administrative proceeding affecting the mortgaged property (including, without limitation, proceedings in eminent domain, bankruptcy, reorganizations, decedents' estates, foreclosures or enforcement of other liens), title and abstract charges of any kind on real or personal property (including, without

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limitation, charges in connection with foreclosure of this Trust Deed), survey fees, appraisal fees, escrow fees and the like, and any other monies advanced by Trustee or the Noteholder to protect the mortgaged premises and the lien hereof, plus reasonable compensation to Trustee for each matter concerning which action herein authorized may be taken, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the Default Interest Rate thereon and failure of Mortgagor to repay the amounts so advanced on demand shall constitute a default hereunder. All such sums shall be an additional lien hereby secured as of the recording of this Trust Deed and whether or not the liens thus created bring the debt hereby secured to an amount in excess of the principal sum herein described. Nothing herein described shall be construed as requiring the Beneficiary or Trustee to make such expenditures. Beneficiary shall be the sole judge as to the necessity, expediency or propriety of making such expenditures.

VII.

WAIVER COVENANTS

The said Mortgagor does hereby waive, to the extent permitted by law, any and all redemption rights.

Any forbearance of Beneficiary in exercising any right or remedy hereunder or otherwise afforded by applicable law shall not be a waiver of or preclude the exercise of any such

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right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Beneficiary shall not be a waiver of Beneficiary's right to accelerate the maturity of the debt secured hereby.

VIII.

RELEASE AND EXTENSION COVENANTS

It is further covenanted that Beneficiary, without notice, and without regard to the consideration, if any, paid therefor, and notwithstanding the existence at that time of any inferior or concurrent liens thereon, may cause to be released any part of the mortgaged premises or any person liable for any indebtedness secured hereby, without in any way affecting the liability of any party to the note and Trust Deed or parties secondarily liable, and without in any way affecting the priority of the lien of this Trust Deed to the full extent of the indebtedness remaining unpaid hereunder, upon any part of the security not expressly released, and may agree with any party obligated on said indebtedness or having any interest in the security described herein to extend the time for payment of any part or all of the indebtedness secured hereby. Such agreement shall not, in any way, release or impair the lien hereof, but shall extend the lien hereof as against the title of all parties having any interest in said security which interest is subject to said lien. In the event the Beneficiary (a) causes to be released, as aforesaid, any part of the

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security described herein or any person liable for any indebtedness secured hereby; (b) grants an extension of time for any payments of the debt secured hereby; (c) takes other or additional security for the payment thereof; (d) waives or fails to exercise any right granted herein or in said note, said act or omission shall not release the Mortgagor, subsequent purchasers of the said premises or any part thereof, or makers or sureties of this Trust Deed or of said note, or endorsers or guarantors of said note, nor preclude the Beneficiary from exercising any right, power or privilege herein or intended to be granted in the event of any other default then made or any subsequent default.

IX.

PRIOR LIEN COVENANTS

Where the mortgaged property is at any time subject to any lien of any kind having priority or equality of lien with this Trust Deed (whether on the fee or any leasehold estate), or later becomes subject to such a lien or any junior lien, the Mortgagor covenants to cause to be paid the debt secured thereby promptly as it falls due, both as to principal and interest; to cause to be performed all the covenants in said mortgage or lien or the obligation secured thereby; to cause to be delivered promptly to the Beneficiary any and all notices received by Mortgagor from said mortgagee or lienor; that

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Beneficiary has the right, but not the duty, to cure any and all defaults or breaches of covenant under said prior, concurrent or junior lien or mortgage, all sums so expended to become part of the mortgage debt hereunder whether or not such event increases the mortgage debt beyond the principal amount stated herein; that if a prior lien exists no sums, except the principal amount and interest currently due under said prior lien, are presently due under said prior lien; that no default or breach of covenant presently exists under said prior or concurrent lien or the obligation secured thereby; that neither said prior nor concurrent lien nor obligation will, to the extent that Mortgagor can control the situation, be modified or extended without the prior written consent of Beneficiary; that in any foreclosure of any prior or concurrent lien all proceeds of the foreclosure sale in excess of the amount required to satisfy the prior lien shall be payable to the Beneficiary and are hereby assigned to the Beneficiary as additional collateral hereunder; and that Mortgagor will promptly notify the Beneficiary of the time and place of any foreclosure sale under said prior or concurrent lien.

The judgment of Beneficiary as to which prior or concurrent liens require removal for its security shall be conclusive on the Mortgagor.

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X.

CONTINUITY OF MANAGEMENT PROVISIONS--DUE-ON-SALE CLAUSE

The loan secured hereby is made in reliance upon the ownership and management by Mortgagor of the premises and the continued existence of the Franchise Agreement between Mortgagor and Sheraton Inns, Inc. Therefore, if Mortgagor shall, without consent in writing of the Noteholder, convey all or part of the premises, by deed or assignment of interest, or if the said Franchise Agreement is cancelled by the franchiser for monetary reasons without consent of the Noteholder, or if the management or control of Mortgagor shall change, or if the premises are used for anything other than a hotel without prior written consent of the Beneficiary, or if Mortgagor does not use a prior approved company as the management company for the hotel without prior written consent of the Beneficiary (which consent shall not be unreasonably withheld), then all debts secured hereby shall at once become due and payable at the option of the Noteholder. For purposes hereof any of Mark Cohen, Greater Capital Corporation, Rudy Rausch or Hugo M. Friend, Jr., or any entity controlled by one or more thereof, shall constitute approved managers or managing companies. Beneficiary will consent to the sale of the premises or the assignment of Mortgagor's interest if (a) no change is made in the Franchise Agreement without Beneficiary's written

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consent, (b) the purchaser or assignee is in the reasonable opinion of the Noteholder, financially responsible and of good repute, and (c) the purchaser or assignee, or any entity controlled by the purchaser or assignee or their principals, has not theretofore had a business relationship with Beneficiary deemed unsatisfactory by Beneficiary in its sole discretion. Consent of Beneficiary shall be given within 20 days and silence will be treated as acceptance. Beneficiary hereby consents to the transfer of the Premises to Greater Capital Corporation, a California corporation.

Notwithstanding anything to the contrary contained herein, no acceleration of amounts due under the Principal Note or Purchase Money Mortgage shall result solely from: (a) a termination of the land trust holding title to the premises or any assignment of the beneficial interest therein to Roberts-O'Hare, Ltd., a California limited partnership, or O'Hare Hotel Investors, Ltd., a California limited partnership; or (b) any change in the ownership of the Hotel so long as any successor owner of the Hotel is (i) Mark Cohn, (ii) David Roberts, (iii) a person, firm or entity owned or controlled by either such individual, or (iv) a limited partnership in which either such individual or any such controlled

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firm or entity shall be the sole general partner(s) and/or so long as the management company consists of (x) either such individual, (y) any such controlled person, firm or entity or (z) other persons named in the Purchase Money Mortgage.

XI.

MARSHALLING OF ASSETS COVENANTS

No extension of time for the payment of the indebtedness, and no modification of this Trust Deed, with or without an increase of interest, and no release of any property hereunder or any change in the release prices or any release of personal liability, or any increase in the amount of the indebtedness by reason of a future advance, shall affect or diminish the priority of this Trust Deed as against any junior or concurrent encumbrances or against any grantee who has purchased part of the property subject to the Trust Deed; and none of said acts shall affect the liability of the Mortgagor under the note or under this Trust Deed, or any other party primarily or secondarily liable under this Trust Deed or other operative document. The lien of this Trust Deed shall secure all future advances made hereunder and all extensions, renewals or modifications of the note, together with interest thereon.

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XII.

MORTGAGOR'S PERMISSION TO RETAIN POSSESSION

Prior to the occurrence of an event of default as hereinafter defined, and subject expressly to Trustee's or Beneficiary's right to take possession to complete improvements, Mortgagor shall be permitted, under a revocable license, to remain in full possession and control of the mortgaged property, and, subject to the provisions hereof, to manage, use and operate the mortgaged property and every part thereof with the rights and privileges thereto appertaining.

XIII.

EVENTS OF DEFAULT

It is hereby expressly provided and agreed by Mortgagor that in the event any one or more of the following events, each of which shall be, and is hereby defined as an "event of default", shall occur, to-wit:

- (a) If default shall be made in the payment of any installment of said note secured hereby, or any interest thereon which default is not cured within 15 days, as and when the same shall become due and payable, whether by reason of acceleration or otherwise; or
- (b) If default shall be made in the payment to Beneficiary of the sums required herein to be paid into escrow to cover taxes, as and when such payments are required to be made which default is not cured within 15 days; or
- (c) If default shall be made by Mortgagor in the due performance or observance of

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any monetary obligation under the Franchise Agreement between Sheraton Inns, Inc. and Greater Capital Corporation, or any non-monetary covenant, agreement or condition contained herein or in the Principal Note, or in any other collateral operative document (i.e., any document necessary or incidental to this transaction), or required to be performed or observed by Mortgagor, or the failure of Mortgagor to operate a first class hotel, and such default shall continue for a period of thirty (30) days after the date of the mailing of a written notice addressed to Mortgagor at the address herein set forth, or to such other address as may be designated by Mortgagor and received in a written notice delivered to Beneficiary; provided, however, that if there is any non-monetary default which cannot be cured within 30 days but is curable, there shall be no default hereunder provided that Mortgagor commences to cure such failure, after notice thereof from Beneficiary and proceeds diligently thereafter to cure such default.

- (d) If any warranty of Mortgagor contained herein or in any collateral or operative instrument shall prove to be in any material respect incorrect or if there shall be any other material breach of any such warranty; or
- (e) If Mortgagor shall become insolvent or unable to pay debts owing by Mortgagor as they mature, or if Mortgagor shall file a voluntary petition in bankruptcy or a voluntary petition seeking reorganization or seeking to effect a plan or other arrangement with creditors, or shall file an answer admitting the jurisdiction of the court and the material allegations of any involuntary petition filed against Mortgagor pursuant to an Act of

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Congress relating to bankrupts, or if Mortgagor shall be adjudged bankrupt or shall make an assignment for the benefit of creditors or to an agent authorized to liquidate any substantial part of the assets of Mortgagor or shall apply for or consent to or acquiesce in the appointment of any receiver or trustee for Mortgagor or of a substantial part of the property owned by Mortgagor; or

- (f) If an order shall be entered pursuant to any Act of Congress relating to bankrupts or to any act purporting to be amendatory thereof approving an involuntary petition seeking reorganization of Mortgagor or seeking the appointment of any receiver or trustee for Mortgagor of a substantial part of the property of Mortgagor or a writ or warrant of attachment or of distraint or any similar process shall be issued against a substantial part of the property of Mortgagor and such order is not vacated or such warrant of attachment or other similar process is not released or bonded with sixty (60) days after levy; or
- (g) In the event of the institution of any proceedings, legal or administrative, or the service of any notice of action looking toward the revocation or suspension of any material license for the use of the premises, or notice to cancel or withdraw the municipal license to operate a Hotel at the mortgaged property which notice Mortgagor has a reasonable time to contest, or failure to keep such municipal license to operate a Hotel in full force and effect.

THEN, AND IN EACH AND EVERY SUCH EVENT BUT PROVIDED BENEFICIARY SHALL HAVE FIRST GIVEN WRITTEN NOTICE OF SUCH EVENT OF DEFAULT TO THE HOLDER OF ANY JUNIOR MORTGAGE LIEN ON THE PROPERTY AND

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SHALL HAVE EXTENDED TO SUCH HOLDER A REASONABLE OPPORTUNITY
TO CURE SAME:

1. The balance of the principal of the note then
outstanding and unpaid and the accrued interest thereon shall,

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at the option of Beneficiary, become and be due and payable immediately, anything in said note or in this Trust Deed to the contrary notwithstanding, and said principal sum then outstanding and unpaid shall bear the Default Interest Rate. The failure of the Beneficiary to exercise the option for acceleration of maturity and/or foreclosure following any default as aforesaid or to exercise any other option granted to the Beneficiary hereunder in any one or more instances, or the acceptance by Beneficiary of partial payments hereunder shall not constitute a waiver of any such default, except as may be provided by law, or extend or affect a grace period, if any, but such option shall remain continuously in force. Acceleration of maturity, once claimed hereunder by Beneficiary, may, at the option of Beneficiary, be rescinded by written acknowledgement to that effect by the Beneficiary, but the tender and acceptance of partial payments alone shall not in any way affect or rescind such acceleration of maturity except as may be provided by law or extend or affect the grace period, if any;

2. Upon demand, Mortgagor shall forthwith surrender to Trustee the actual possession of all of the mortgaged property and it shall be lawful (whether or not Mortgagor has so surrendered possession) for Trustee, either personally or by agents or attorneys, including the Beneficiary, forthwith to enter into or upon the mortgaged property and to exclude

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Mortgagor, the agents and servants of Mortgagor, and all parties claiming by, through or under Mortgagor, wholly therefrom, and Trustee shall thereupon be solely and exclusively entitled to possession of said mortgaged property and every part thereof, and to use, operate, manage and control the same, either personally or by managers, agents, servants or attorneys, for the benefit of Beneficiary, to the fullest extent authorized by law; and upon every such entry, the Trustee may, from time to time, at the expense of the mortgaged property and every part thereof, make all necessary and proper repairs and replacements thereto and thereon, as to the Trustee may seem judicious, and with full power to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same, to elect to disaffirm any lease or sublease made subsequent to this Trust Deed or subordinated to the lien hereof, and to insure and reinsure the premises and all risks incidental to Trustee's or Beneficiary's possession, operation and management thereof and to receive all of such avails, rents, issues and profits;

3. Trustee may make demand for and collect and receive all rents and income from the mortgaged property, including rents and income accrued but unpaid prior to the date of such default, and such receipt shall be binding on Mortgagor with respect to the amount so paid. All sums of money received by Trustee from rents and income, after deducting therefrom the

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reasonable charges and expenses paid or incurred in connection with the collection and disbursement thereof, shall be applied to the payment of the note secured hereby, or applied to remedy any default hereunder or under any operative document, as Beneficiary may direct. Any lessee of the mortgaged property, or any part thereof, shall be fully protected in relying and acting upon the written statement of Beneficiary to the effect that this Trust Deed is in default and that Trustee is entitled to receive the rents and income hereunder, notwithstanding any notice to or knowledge of said lessee to the contrary. Said lessee shall have no duty to determine that any sum paid to Trustee hereunder is properly applied.

XIV.

FORECLOSURE SALE PROVISIONS

1. When the indebtedness hereby secured shall become due whether by acceleration or otherwise, the Noteholder or Trustee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Trustee or the Noteholder for reasonable attorneys' fees, Trustee's fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such

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abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Trustee or the Noteholder may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises. All expenditures and expenses of the nature in this paragraph mentioned shall become so much additional indebtedness secured hereby and immediately due and payable, at the Default Interest Rate thereon, when paid or incurred by Trustee or the Noteholder in connection with any foreclosure suit as hereinbefore described or preparation for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced.

2. 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 under the terms hereof constitute secured indebtedness additional to that evidenced by the Principal Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the

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Principal Note; fourth, any overplus to Mortgagor, its successors or assigns, as their rights may appear.

3. Upon, or at any time after the filing of a bill to foreclose this Trust Deed and Security Agreement, the court in which such bill is filed may appoint a receiver of said premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the premises or whether the same shall be then occupied as a homestead or not and the Trustee hereunder may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of said premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during the whole of said period. The Court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the indebtedness secured hereby, or by any decree foreclosing this Trust Deed and Security Agreement, or any tax, special

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assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; (b) the deficiency in case of a sale and deficiency.

4. Upon a sale or sales made by virtue of any judicial proceedings: (i) the whole of the mortgaged property, real, personal and mixed, may be sold in one parcel as an entirety, or the mortgaged property may be sold in separate parcels as may be determined by Trustee or Beneficiary in their discretion; and (ii) at any such sale or sales Beneficiary may bid for and purchase the mortgaged property or any part thereof and may make payment therefor by presenting the note hereby secured so that there may be endorsed as paid thereon the amount of such bid which is to be applied to the payment of said note as herein provided. It is specifically covenanted and agreed that the doctrine of marshalling of assets shall be inapplicable to any sale hereunder and that grantor waives all rights, if any, to have any mortgaged asset offered for sale prior to the offering of any other mortgaged asset and that the offering of assets separately or in combination shall rest within the sole discretion of the party conducting the sale.

5. In the event of foreclosure of this Trust Deed by any methods herein provided, the Mortgagor does hereby waive any and all rights of redemption and consents that, in the sole

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discretion of the party holding the sale, sale of said property may be made as a whole or in parcels.

XV.

CUMULATIVE REMEDIES PROVISION

No remedy herein conferred upon or reserved is intended to be exclusive of any other remedy, but every remedy herein provided shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, or by statute; and every power and remedy given by this Trust Deed may be exercised from time to time and as often as may be deemed expedient. No delay or omission by Beneficiary or Trustee to exercise any right or power arising from any default shall impair any such right or power or shall be construed to be a waiver of any default or an acquiescence therein. In case Beneficiary or Trustee shall have proceeded to enforce any right under this Trust Deed by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned because of waiver or for any other reason, or shall have been determined adversely, then, and in such and every such case, Mortgagor, Beneficiary and Trustee shall severally and respectively be restored to their former positions and rights hereunder in respect of the mortgaged property, and all rights, remedies and powers of Beneficiary and Trustee shall continue as though no such proceedings had been taken.

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XVI.

SECURITY AGREEMENT

1. It is mutually intended, agreed and declared that all Personal Property (described in the granting clauses of this Trust Deed), shall, to the full extent permitted by law, be deemed to form a part of the real estate and for the purposes of this Trust Deed to be considered real estate, and as such secured by this Trust Deed. While the foregoing is intended to apply to all items of Personal Property described in the granting clause of this Trust Deed, it is particularly intended to apply to those items of Personal Property which now are or hereafter shall become physically affixed or adapted to the real estate (which for purposes hereof are commonly referred to as "fixtures"). If any such Personal Property shall for any reason be deemed not to be affixed or adapted to the real estate, and/or if a separate fixture filing is necessary or appropriate regarding same, then this Trust Deed shall constitute a Security Agreement with respect to any and all such Personal Property, to be perfected by filing financing statement(s), if required, with the Secretary of State of Illinois and/or in the appropriate records of the County where the mortgaged property is situated.

2. As to any of the Personal Property which cannot qualify as part of the real estate pursuant to the provisions of Section 1 above, this Trust Deed is hereby deemed to be, and

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is, as well, a Security Agreement under the Uniform Commercial Code for the purpose of creating hereby a security interest in such Personal Property; and Mortgagor hereby grants to Beneficiary as Secured Party (as such term is defined in the Uniform Commercial Code) a security interest in all the Personal Property located on or in the mortgaged property and more fully described in the granting clauses of this Trust Deed, including without limitation any and all property of similar type or kind hereafter located on or in the mortgaged property, and together with any and all sums at any time on deposit for the benefit of Beneficiary or held by Beneficiary (whether deposited by or on behalf of Mortgagor or anyone else) pursuant to any of the provisions of this Trust Deed, for the purpose of securing all obligations of the Mortgagor herein contained.

3. Mortgagor hereby warrants, represents and covenants as follows:

- (a) Except for the security interest granted hereby, Permitted Exceptions, purchase money security interests approved by the Beneficiary whose consent shall not be unreasonably withheld, and existing or future leases of any Equipment disclosed on Exhibit D hereto (which said leases are expressly permitted hereunder), Mortgagor is, and as to portions of the Personal Property to be acquired after the date hereof will be, the sole owner of the Personal Property, free from any prior or equal adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever, Mortgagor will notify Beneficiary of, and will defend the Personal Property against, all

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claims and demands of all such persons at any time claiming the same or any interest therein.

- (b) Except in the ordinary course of business Mortgagor will not lease, sell, convey or in any manner transfer the Personal Property without the prior written consent of Beneficiary, or without said Property being replaced by like kind property.
- (c) The Personal Property is not used or bought for personal, family or household purposes.
- (d) The Personal Property will be kept on or in the mortgaged property and Mortgagor will not remove the Personal Property from the mortgaged property without the prior written consent of Beneficiary, except that so long as Mortgagor is not in default hereunder, Mortgagor shall be permitted to dispose of such portions or items of Personal Property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor with property of like kind and quality and at least equal in value to that replaced and in such manner so that said new Personal Property shall be subject to the security interest created hereby and so that the security interest of the Beneficiary shall be first in priority, it being expressly understood that all replacements of the Personal Property and any additions to the Personal Property shall be and become immediately subject to the security interest of this Trust Deed and be covered hereby.
- (e) Mortgagor maintains a place of business in the State of Illinois and Mortgagor will immediately notify Beneficiary in writing of any change in its place of

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business as set forth in the beginning of this Trust Deed.

- (f) At the request of Beneficiary, Mortgagor will join Beneficiary in executing one or more financing statements and renewals and amendments thereof as well as any continuation statements pursuant to the Uniform Commercial Code of Illinois in form reasonably satisfactory to Beneficiary, and will pay the cost of filing the same in all public offices wherever filing is deemed by Beneficiary to be necessary or desirable to perfect the security interest with respect to all items of Personal Property intended to be secured by this Trust Deed. Mortgagor authorizes Beneficiary to the extent permitted by law to file financing and continuation statements, and amendments and supplements thereto relating to the equipment, fixtures and Personal Property signed only by Beneficiary.
- (g) Mortgagor will do all acts and things as may be necessary or appropriate to establish and maintain, except as herein provided, a first perfected security interest in the Personal Property, subject to no liens, encumbrances or security interests of others.
- (h) All covenants and obligations of Mortgagor contained in this Trust Deed shall be deemed to apply to the Personal Property whether or not expressly referred to herein.
- (i) This Trust Deed constitutes a Security Agreement (and Financing Statement) for all purposes under the Uniform Commercial Code of Illinois.

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XVII.

PROOF OF DEBT PROVISION

If any additional sum or sums shall become due and owing by Mortgagor to Beneficiary, pursuant to the provisions hereof, the affidavit of Beneficiary shall be sufficient evidence of the fact that such additional sums are secured hereby in the amount set forth in such affidavit.

XVIII.

PROVISION BINDING SUCCESSORS AND ASSIGNS

The terms "Beneficiary," "Notaholder," "Trustee" or "Mortgagor" shall be deemed to mean and include the successor or successors and assigns of said parties, and the covenants and agreements shall bind and inure to the benefit of the heirs, successors and assigns of said parties. Regardless of their form, all words shall be deemed singular or plural and shall have the gender required by the text, and shall include any corporation, partnership or trust as the context requires.

XIX.

PARTIAL ILLEGALITY PROVISIONS

In the event any part, portion or provision of this Trust Deed or said note shall for any reason be illegal, invalid or unenforceable with respect to any class or part of the mortgaged property, then such part, portion or provision thereof shall be held to apply and shall be applied only to

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such property as to which it is legal, valid and enforceable; and such illegal, invalid or unenforceable, part, portion or provision shall be deemed separate and severable from the remaining portion thereof, and such remaining portion thereof shall remain in full force and effect as to all the mortgaged property, the same as if such part, portion or provision thereof declared illegal, invalid or unenforceable had not been part thereof.

XX.

SUBROGATION PROVISIONS

Beneficiary and Trustee shall be entitled to own and hold by subrogation as additional security hereunder all mortgages, liens and other encumbrances which have been paid from the proceeds of this Trust Deed and note, whether the lien thereof is prior to, on a parity with or junior to the lien hereof, Beneficiary and Trustee being expressly relieved of the duty to inquire into such matters. Said mortgages, liens and other encumbrances shall be operative even though they are discharged of record in the same manner as if they were assigned to the Beneficiary without cancellation of the instruments which evidence said mortgages, liens or other encumbrances, and as if they were not satisfied or record.

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XXI.

USURY DISCLAIMER

Beneficiary expressly disclaims any intention to charge any interest or amount whatever in excess of that permitted by law, including interest or amounts in excess of any usury law, and any such interest or amounts paid to and received by the Beneficiary shall be deemed funds held for the account of the Mortgagor, not recoverable under the promissory note or secured by this Trust Deed.

XXII.

CONFLICT OF LAWS PROVISION

The construction of this Trust Deed and Security Agreement shall, in all respects, be governed by the law of the State of Illinois.

XXIII.

INSPECTION COVENANTS

Trustee or the Noteholder shall have the right to inspect the premises at all reasonable times upon reasonable notice and without undue business interruption and access thereto shall be permitted for that purpose.

XXIV.

MISCELLANEOUS PROVISIONS

1. All covenants and agreements herein are intended for the exclusive benefit of the parties hereto and not for the

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