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MORTGAGE AND SECURITY AGREEMENT

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THIS MORTGAGE and SECURITY AGREEMENT ("Mortgage") is made as of September 9, 1986, with respect to Parcel A as delineated in Exhibit "A" attached hereto and made a part hereof ("Parcel A") by LAKEVIEW TRUST AND SAVINGS BANK, a Corporation of Illinois, not personally, but as Trustee under a Trust Agreement dated November 12, 1980 and known as Trust No. 5918 ("Trust Number 5918") with a mailing address of 3201 N. Ashland Avenue, Chicago, Illinois 60657, and with respect to Parcel B as delineated in Exhibit "A" ("Parcel B") by LAKEVIEW TRUST AND SAVINGS BANK, a Corporation of Illinois, not personally, but as Trustee under a Trust Agreement dated March 5, 1981 and known as Trust Number 5992 ("Trust Number 5992") with a mailing address of 3201 N. Ashland Avenue, Chicago, Illinois 60657 and with respect to Parcels A and B, NATIONAL BANK OF GREECE, S.A., CHICAGO BRANCH, with a mailing address of 168 N. Michigan Avenue, Chicago, Illinois. Trust Number 5918 and Trust Number 5992 shall hereinafter be referred to individually and collectively as "Mortgagor" and NATIONAL BANK OF GREECE, S.A., CHICAGO BRANCH as "Mortgagee." Parcel A and Parcel B shall hereinafter collectively be referred to as Real Estate.

1. RECITALS.

1.1 Note. Whereas, Mortgagor has executed and delivered to Mortgagee a Note ("Note") of even date herewith, wherein Mortgagor promises to pay to the order of Mortgagee the principal amount of ONE MILLION FIFTY THOUSAND AND NO/100s (1,050,000.00) DOLLARS in repayment of a loan ("Loan") from Mortgagee to Mortgagor in like amount, or so much thereof as may now or hereafter be disbursed or advanced by Mortgagee under the Note, together with interest thereon, from date thereof, at the rate set forth therein (and if applicable, at the Default Rate ("Default Rate") specified therein), in installments as set forth in the Note, the entire unpaid principal balance and accrued interest being due and payable on September 9, 1989 (the "Maturity Date"), with the terms and provisions of the Note being incorporated herein and made a part hereof by this reference with the same effect as if set forth at length; and

1.2 Other Loan Documents. Whereas, as security for the repayment of the indebtedness hereby Secured, in addition to this Mortgage, there have been executed and delivered to Mortgagee certain other loan documents described in Exhibit "B" attached hereto and hereby made a part hereof (the Note, this Mortgage, and all other loan documents described in such Exhibit "B", whether now or hereafter existing and as same may be amended, modified or supplemented from time to time, being collectively referred to herein as the "Loan Documents"); and

1.3 Indebtedness. Whereas, Indebtedness of the Loan, evidenced by the Note, including the principal thereof, interest, late charges, and prepayment premium, if any, thereon, and any extensions and renewals thereof, in whole or in part, and any and all other sums which may be at any time be due or owing or required to be paid under the Loan Documents are herein called the "Indebtedness Hereby Secured".

2. THE GRANT.

NOW, THEREFORE, in order to secure the payment of the principal and interest and any other sums that may now or hereafter become owing from Mortgagor to Mortgagee under the Loan Documents, as well as the performance of all other covenants, provisions, agreements and obligations contained herein or under the Loan Documents (whether or not the Mortgagor is personally liable for such payment, performance and observance), in consideration of Ten and No/100 (\$10.00) Dollars, in hand paid by the Mortgagee to the Mortgagor, the recitals stated hereinabove, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor hereby grants, sells, assigns, releases, alien, transfers, remises, conveys and mortgages to Mortgagee and its successors and assigns forever and hereby represents to Mortgagee and grants to Mortgagee and its successors and assigns forever a continuing security interest in and to all of the following rights, interests, claims and property (collectively the "Premises"):

(a) all of the Real Estate described in Exhibit "A";

(b) all buildings, structures and other improvements of every kind and description now or hereafter erected, situated or placed upon the Real Estate ("improvements") together with any and all Personal Property (as defined in Paragraph (h) below), attachments now or hereafter owned by Mortgagor and located in or on, forming part of, attached to, used or intended to be used in connection with, or incorporated in any such improvements including all extensions, additions, betterments, renewals, substitutions and replacements to any of the foregoing;

(c) all estate, claim, demand, right, title and interest of Mortgagor now owned or hereafter acquired, including without limitation, any after-acquired title, franchise, license, remainder or reversion, in and to (i) any land or vaults lying within the right-of-way of any street, avenue, way, passage, highway, or alley, open or proposed, vacated or otherwise, adjoining the Real Estate; (ii) any and all alleys, sidewalks, streets, avenues, strips and gores of land belonging, adjacent or pertaining to the Real Estate and improvements; (iii) storm and sanitary sewer, water, gas, electric, railway and telephone services relating to the Real Estate and improvements; (iv) all development rights, air rights, water, water rights, water stock, gas, oil, minerals, coal and other substances of any kind or character underlying or relating to the Real Estate or any part thereof; and (v) each and all of the tenements, hereditaments, easements, appurtenances, other rights, liberties, reservations, allowances, and privileges relating to

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the Real Estate or the Improvements or in any way now or hereafter appertaining thereto, including homestead and any other claim at law or equity;

(d) all right, title and interest of Mortgagor in and to all options to purchase or lease the Real Estate or Improvements or any portion thereof or interest therein, or any other rights, interests or greater estates in the rights and properties comprising the Premises, now owned or hereafter acquired by the Mortgagor;

(e) all rights of the Mortgagor to any and all plans and specifications, designs, drawings and other matters prepared for any construction on the Real Estate or to the Improvements;

(f) all rights of the Mortgagor under any contracts executed by the Mortgagor with any provider of goods or services for or in connection with any construction undertaken on or services performed or to be performed in connection with the Real Estate or Improvements ("Third Party Agreements");

(g) all rights of the Mortgagor as seller or borrower under any agreement, contract, understanding or arrangement pursuant to which the Mortgagor has, with the prior written consent of the Mortgagee, obtained the agreement of any person or entity to pay or disburse any money for the Mortgagor's sale (or borrowing on the security) of the Premises or any part thereof;

(h) all right, title and interest of the Mortgagor in and to all tangible personal property ("Personal Property"), owned by Mortgagor and now or at any time hereafter located in, on or at the Real Estate or Improvements or used or useful in connection therewith, including, but not limited to:

(i) all furniture, furnishings and equipment furnished by the Mortgagor to occupants of the Real Estate or Improvements (but expressly excluding from the term Personal Property any furniture, equipment, trade fixtures, furnishings or other property of or owned by the occupants of the Premises);

(ii) all building materials and equipment located upon the Real Estate and intended for construction, reconstruction, alteration, repair or incorporation in or to the Improvements now or hereafter to be constructed thereon, whether or not yet incorporated in such Improvements (all of which shall be deemed to be included in the Premises upon delivery thereto);

(iii) all machines fixtures, apparatus, equipment or articles used in supplying heating, gas, electricity, air-conditioning, water, light, power, plumbing, sprinkler, waste removal, refrigeration, ventilation, and all fire sprinklers, alarm systems, protection, electronic monitoring equipment and devices;

(iv) all window, structural, and swimming pool maintenance and cleaning equipment and rigs and all equipment relating to the exclusion of vermin, pests or insects and the removal of dust;

(v) all lobby and other indoor and outdoor furniture, including without limitation, tables, chairs, planters, desks, sofas, shelves, lockers and cabinets, wall beds, wall sofas and other furnishings;

(vi) all rugs, carpets and other floor coverings, curtains, draperies, drapery rods and brackets, awnings, window shades, venetian blinds and curtains;

(vii) all lamps, chandeliers and other lights;

(viii) all recreational equipment and materials;

(ix) all kitchen equipment, including without limitation, refrigerators, ovens, stoves, dishwashers, range hoods, exhaust systems and disposal units;

(x) all laundry equipment and supplies including, without limitation, washers and dryers;

(xi) all office furniture, equipment and supplies, but expressly excluding from the term Personal Property any furniture, equipment, trade fixtures, furnishings or other property of or owned by the occupants of the Premises;

(xii) all tractors, mowers, sweepers, snow removers, motor vehicles and other equipment used in the maintenance of the Real Estate or Improvements;

(xiii) all fixtures, personal property and other tangible property of any kind or character now or hereafter owned by Mortgagor and attached to or contained in and used or useful in connection with the Premises or the aforesaid Improvements thereon, including without limitation any and all antennae, appliances, basins, boilers, bookcases, cabinets, compactors, coolers, dehumidifiers, doors, ducts, elevators, engines, escalators, fans, fittings, furnaces, growing plants hardware, heaters, humidifiers, incinerators, machinery, maintenance supplies and inventories, motors, pipes, pumps, radiators, screens, sinks, tools, ventilators, wall coverings, water foun-

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tains, windows, wiring, non-structural additions to the Real Estate, and all renewals or replacements therefor or articles in substitution thereof, whether or not the same be attached to such improvements, it being intended, agreed, and declared that all such property owned by Mortgagor and placed by it on the Premises or used in connection with the operation or maintenance thereof shall, so far as permitted by law, be deemed for the purposes of this Mortgage to be part of the Real Estate constituting and located on the Premises and covered by this Mortgage, and as to any of the aforesaid property that is not part of such Real Estate or does not constitute a "fixture", as such term is defined in the Uniform Commercial Code of the State in which the Premises are located ("Code"); Provided that the enumeration of any specific articles of Personal Property set forth herein shall in no way exclude or be held to exclude any items of property not specifically enumerated;

- (I) all the estate, interest, right, title or other claim or demand which Mortgagor now has or may hereafter have or acquire with respect to (i) proceeds of insurance in effect with respect to the Premises and (ii) any and all awards, claims for damages, judgments, settlements and other compensation made for or consequent upon the taking by condemnation, eminent domain or any like proceeding, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Premises, including, without limitation, any awards and compensation resulting from a change of grade of streets and awards and compensation for severance damages (collectively "Awards");
- (J) all other property or rights of the Mortgagor of any kind or character related to the Premises;

To Have And To Hold the Premises hereby mortgaged and conveyed or so intended, together with the rents, issues and profits thereof, unto the Mortgagee, its successors and assigns, forever, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State or other jurisdiction in which the Premises are located (which rights and benefits are hereby expressly released and waived), for the uses and purposes herein set forth.

Provided, however, that if and when Mortgagor has paid all of the indebtedness hereby secured, and has strictly performed and observed all of the agreements, terms, conditions, provisions and warranties contained in all of the Loan Documents, then this mortgage and the estate, right and interest of the Mortgagee in and to the Premises shall cease and shall be released at the cost of Mortgagor, but otherwise shall remain in full force and effect. Mortgagee shall be entitled to charge a reasonable release fee.

3. REPRESENTATIONS AND WARRANTIES OF MORTGAGOR. The Mortgagor represents and warrants to the Mortgagee as principal inducements to the making of the Loan, or which Mortgagor acknowledges and agrees Mortgagee has a right to rely as follows:

3.1 Warranty of Title. Mortgagor has good and marketable title to the Premises in fee simple absolute; is lawfully seized and possessed of the Premises; the Premises are unencumbered except as may be herein expressly provided; and Mortgagor will forever warrant and defend the title to the Premises unto Mortgagee against the claims of all persons whomsoever.

3.2 Compliance with Law. Mortgagor to date has fully complied with all laws, ordinances, rulings, regulations, and orders of all governmental authorities affecting the Premises (including, but not limited to, zoning, land use and environmental) and has obtained all necessary and proper permits and licenses for development and operation of the Premises.

3.3 Recitals. The recitals above are true and correct and are incorporated by reference herein.

3.4 Power and Authority. Mortgagor, and if Mortgagor is more than one party, each party constituting Mortgagor (and, if Mortgagor or any constituent party of Mortgagor is a partnership, each of Mortgagor's and any constituent party's general partners), is duly organized and validly existing, qualified to do business and is in good standing in the State in which the Premises are located; and has full power and authority to execute, deliver and perform all Loan Documents in accordance with their terms. Such execution, delivery and performance has been fully authorized by all necessary corporate or partnership action and approved by each required governmental authority or other party, and the obligations of Mortgagor and every other party thereto under each are the legal, valid and binding obligations of each, enforceable by the Mortgagee in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws applicable to the enforcement of creditors' rights generally.

3.5 No Event of Default or Violations. No Event of Default or event which, with notice or passage of time or both, would constitute an Event of Default has occurred or is continuing under any of the Loan Documents. Neither Mortgagor, nor any party constituting Mortgagor, nor any general partner in any such party, is in violation of any governmental regulation (including, without limitation, any applicable securities law) or in default under any agreement to which it is bound, or which affects it or any of its property; and the use and occupancy of the Premises and the execution, delivery and performance of any of the Loan Documents, in accordance with their terms, shall not violate any governmental requirement (including, without limitation any applicable usury law), or conflict with, be inconsistent with or result in any default under any of the representations or warranties, covenants, conditions or other provisions of any indenture, mortgage, deed of trust, easement, restriction of record, contract, document, agreement or instrument of any

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kind to which any of the foregoing is bound or which affects it or any of its property, except as identified in writing to and previously approved by Mortgagee.

3.6 No Litigation or Governmental Controls. There are no proceedings of any kind pending, or threatened against or affecting Mortgagor, the Premises (including any attempt or threat by any governmental authority to condemn or re-zone all or any portion of the Premises), any party constituting Mortgagor or any general partner in any such party; or involving the validity, enforceability or priority of this Mortgage, or any other of the Loan Documents; or enjoining or preventing or threatening to enjoin or prevent the use and occupancy of the Premises or the performance by Mortgagor of its obligations hereunder; and there are no rent controls, governmental moratoria or environmental controls (presently in existence or threatened) affecting the Premises, except as identified in writing to and previously approved by Mortgagee.

3.7 Liens. Title to the Premises, or any part thereof, is not subject to any liens, encumbrances or defects of any nature whatsoever, whether or not of record and whether or not customarily shown on title insurance policies.

3.8 Financial and Operating Statements. All financial and operating statements submitted to Mortgagee in connection with this Loan are true and correct in all respects, have been prepared in accordance with the provisions herein set forth and fairly present the respective financial conditions of the subjects thereof and the results of their operations as of the respective dates shown thereon. No materially adverse changes have occurred in the financial conditions and operations reflected therein since their respective dates, and no additional borrowings have been made since the date thereof other than the borrowing made under this Mortgage and any other borrowing approved in writing by Mortgagee.

3.9 Other Statements to Mortgagee. Neither this Mortgage, any other Loan Document, nor any document, agreement, report, schedule, notice or other writing furnished to the Mortgagee by or on behalf of any party constituting Mortgagor, or any general partner of any such party, contains any misleading or untrue statement of any fact material to any of the foregoing; or omits any fact which would, in the circumstances, make the said statements misleading.

3.10 Purpose of Loan. The Loan evidenced by the Note and secured hereby is a business loan within the scope and operation of the laws of the state where the Real Estate is located, the proceeds of which will be used solely for the purpose of carrying on or acquiring the business of the Mortgagor or, if the Mortgagor is a trustee, for the purpose of carrying on, or acquiring the business of the beneficiaries of the Mortgage.

4. COVENANTS AND AGREEMENTS OF MORTGAGOR. The Mortgagor covenants and agrees as follows:

4.1 Payment of Sums Due. Mortgagor shall pay promptly when due each and every installment of the principal and interest and any other sums required to be paid (including fees and late charges), if any, on the Note at the times and in the manner provided in the Note, this Mortgage, or any of the other Loan Documents and shall pay all other indebtedness Hereby Secured, as same becomes due, and shall duly perform and observe all of the covenants, agreements and provisions contained herein, in the Note, or in the other Loan Documents. All sums payable by Mortgagor shall be paid without demand, counterclaim, offset, deduction or defense. Mortgagor hereby waives all rights now or hereafter conferred by statute or otherwise to any such demand, counterclaim, offset, deduction or defense.

4.2 Repair; No Waste; Restoration; No Zoning Change. Mortgagor will maintain the Premises in good condition and repair; commit or suffer no waste of the Premises; promptly repair, restore, replace or rebuild any part of the Premises now or hereafter subject to the lien of this Mortgage which may be damaged or destroyed by any casualty whatsoever or which may be affected by any eminent domain or similar proceeding; complete and pay for, within a reasonable time, any structure at any time in the process of construction on the Premises; initiate, join in or consent to no change in any private restrictive covenant, zoning ordinance, or other public or private restriction, limiting or defining the uses which may be made of the Premises or any part thereof; cause the Premises to be managed in a competent and professional manner; and do nothing whatsoever, including, but not limited to, abandoning the Premises, which would depreciate or impair the value of the Premises or the Security of the Mortgage.

4.3 Compliance With Law. Mortgagor will comply with or cause to be complied with all present and future laws, statutes, ordinances, rulings, regulations, orders and requirements of all federal, state, municipal, county, and other governmental agencies and authorities relating to the Premises, as well as all covenants, conditions, and restrictions affecting same; shall not permit any unlawful use or nuisance to exist upon the Premises, and shall refrain from any action and correct any condition which would increase the risk of fire or other hazard to the improvements or any portion thereof.

4.4 No Alteration. No improvement now or hereafter covered by the lien of this Mortgage shall be removed, demolished or materially altered or enlarged, nor shall any new improvement be constructed, without the prior written consent of Mortgagee.

4.5 Operating Costs. Mortgagor shall pay when due all operating costs of the Premises;

4.6 Other Payments. Unless waived by Mortgagee in writing, Mortgagor shall deposit, in addition to the monthly installments of principal and interest required by the Note, monthly, until the indebtedness Hereby Secured is paid;

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- (a) a sum equal to all Taxes (as hereinafter defined) next due on the Premises, all as estimated by Mortgagee, divided by the whole number of months to elapse before the month prior to the date when such Taxes will become due and payable; and
- (b) A sum equal to an installment of the premium or premiums that will become due and payable, as estimated by Mortgagee to renew the insurance as hereinafter required, each installment to be in such an amount that the payment of approximately equal installments will result in the accumulation of a sufficient sum of money to pay renewal premiums for such insurance at least one (1) month prior to the expiration or renewal date or dates of the policy or policies to be renewed.

All such payments (collectively "Tax and Insurance Deposits") shall be held with no obligation to segregate such payments by the Mortgagee or a depository designated by Mortgagee, in trust, without accruing, or without any obligation arising for the payment of, any interest thereon. The aggregate of the monthly Tax and Insurance Deposits, together with monthly payments of interest and/or principal payable on the Note shall be paid in a single payment each month, to be applied to the following items in the order stated: (i) Any sums advanced or expenses estimated or incurred but not yet paid by Lender under the terms of the Mortgage, Assignment of Reits, or any other of the Loan Documents; (ii) Any Tax and Insurance Deposits due; (iii) late charges in accordance with the Note; (iv) accrued interest under the Note; (v) interest due under the Note; (vi) principal due under the Note; (vii) prepayment charges; and (viii) principal not yet due. If the total Tax and Insurance Deposits on hand shall not be sufficient to pay all of the Taxes and Insurance premiums, together with all penalties and interest thereon, when the same shall become due, then the Mortgagor shall pay to the Mortgagee on demand any amount necessary to make up the deficiency. If the total of such Tax and Insurance Deposits exceeds the amount required to pay the Taxes and Insurance premiums, such excess shall be credited on subsequent payments to be made for such items.

Notwithstanding the foregoing, after an Event of Default (as hereinafter defined), the Mortgagee may, at its option, without being required to do so, apply any Tax and Insurance Deposits on hand on any of the Indebtedness Hereby Secured, in such order and manner as the Mortgagee may elect.

When the Indebtedness Hereby Secured has been fully paid, then any remaining Tax and Insurance Deposits shall be paid to the Mortgagor. All Tax and Insurance Deposits are hereby pledged as additional security for the Indebtedness Hereby Secured, and shall be held in trust to be irrevocably applied for the purposes for which made as herein provided, and shall not be subject to the direction or control of the Mortgagor.

Notwithstanding anything contained herein to the contrary, neither the depository nor the Mortgagee shall be liable for any failure to apply to the payment of taxes and Insurance premiums any amounts deposited as Tax and Insurance Deposits unless the Mortgagor, while no Event of Default exists hereunder and within a reasonable time prior to the due date, shall have requested the Mortgagee in writing to make application of such Tax and Insurance Deposits on hand to the payment of the particular taxes or Insurance premiums. Upon request of the Mortgagor, the Mortgagee shall, out of the Tax and Insurance Deposits, pay the Insurance premiums and Taxes or shall, upon presentation of receipted bills therefor, reimburse the Mortgagor for such payments made by the Mortgagor.

Mortgagor shall be responsible for the payment, when first due and owing and before any penalty attaches, of all taxes and assessments (general or special), water charges, sewer charges, and any other charges, fees, taxes, claims, levies, charges, expenses, liens and assessments, ordinary or extraordinary, governmental or non-governmental, statutory or otherwise, that may be asserted against the Premises or any part thereof or interest ("Taxes"). Provided, however, that if sufficient Tax and Insurance Deposits are available, Mortgagee, at its option, either may make such Tax and Insurance Deposits available to Mortgagor for the payments required under this Paragraph or may make such payments on behalf of Mortgagor.

4.6.1 Tax Payments by Mortgagee. Mortgagee is hereby authorized to make or advance, in the place and stead of Mortgagor, any payment relating to Taxes, that may be asserted against the Premises, or any part thereof, and may do so according to any bill, statement, or estimate procured from the appropriate public office without inquiry into the accuracy thereof or into the validity of any Taxes, sale, forfeiture, or title or claim relating thereto. Mortgagee is further authorized to make or advance, in the place and stead of Mortgagor, any payment relating to any apparent or threatened adverse title, lien, statement of lien, encumbrance, claim, charge, or payment otherwise relating to any other purpose herein and hereby authorized, but not enumerated in this Paragraph, whenever, in its judgment and discretion, such advance seems necessary or desirable to protect the full security intended to be created by this Mortgage.

In connection with any such advance, Mortgagee is further authorized, at its option, to obtain a continuation report of title or title insurance policy prepared by a title insurance company of Mortgagee's choosing. All such advances and Indebtedness authorized by this Paragraph shall constitute additional Indebtedness Hereby Secured and shall be immediately due and payable by Mortgagor without notice, together with interest at the Default Rate.

4.6.2 Insurance. The Mortgagor shall insure and keep insured the Premises and each and every part and parcel thereof against such perils and hazards as the Mortgagee may from time to time require, and in any event including:

- (a) Insurance against loss to the Improvements caused by fire, lightning, windstorms, vandalism, malicious mischief, and risks covered by the so called "all perils" endorsement and such other risks as

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the Mortgagee may reasonably require, in amounts (but in no event less than the initial stated principal amount of the Note) equal to the full replacement value of the improvements, plus the cost of debris removal, with full replacement cost and inflation guard endorsement;

- (b) Comprehensive general public liability insurance against bodily injury and property damage in any way arising in connection with the Premises with such limits as the Mortgagee may reasonably require and in any event not less than \$1,000,000.00 single limit coverage;
- (c) Rent and rental value insurance (or, at the discretion of Mortgagee, business interruption insurance) in amounts sufficient to pay during any period of up to one (1) year in which the improvements may be damaged or destroyed (i) all rents derived from the Premises and (ii) all amounts (including, but not limited to, all taxes, utility charges and insurance premiums) required herein to be paid by the Mortgagor or by tenants of the Premises;
- (d) Broad form boiler and machinery insurance on all equipment and objects customarily covered by such insurance (if any thereof are located at the Premises), providing for full repair and replacement cost coverage, and other insurance of the types and in amounts as the Mortgagee may reasonably require, but in any event not less than that customarily carried by persons owning or operating like properties;
- (e) During the making of any alterations or improvements to the Premises (i) insurance covering claims based on the owner's or employer's contingent liability not covered by the insurance provided in subsection (b) above and (ii) Workmen's Compensation insurance covering all persons engaged in making such alterations or improvements;
- (f) Federal Flood Insurance in the maximum obtainable amount up to the amount of the indebtedness hereby Secured evidenced by the Note, if the Premises are in a "flood plain area" as defined by the Federal Insurance Administration pursuant to the Federal Flood Disaster Protection Act of 1973, as amended;
- (g) If any part of the Premises is now or hereafter used for the sale or dispensing of beer, wine, spirits or any other alcoholic beverages, so called "dram shop" or "innkeeper's liability" insurance against claims or liability arising directly or indirectly to persons or property on account of such sale or dispensing of beer, wine, spirits or other alcoholic beverages, including in such coverage loss of means of support, all in amounts as may be required by law or as the Mortgagee may specify, but in no event less than \$15,000.00 single limit coverage;
- (h) Plate glass, sprinkler leakage and machinery and pressurized vessel insurance;
- (i) Any other insurance coverage required under the Loan Documents.

All policies of insurance to be maintained and provided as required herein shall be in forms, companies and amounts reasonably satisfactory to Mortgagee, and all policies of casualty insurance shall have attached thereto waiver of subrogation and mortgagee clauses or endorsements in favor of and with loss payable to Mortgagee. Said policies shall contain endorsements that no act or negligence of the insured or any occupant and no occupancy or use of the Premises for purposes more hazardous than permitted by the terms of the policies will affect the validity or enforceability of such policies as against Mortgagee. All said insurance shall be written in amounts sufficient to prevent Mortgagor from becoming a co-insurer and shall provide for thirty (30) days prior written notice of cancellation to Mortgagee. Mortgagor shall deliver all policies, including additional and renewal policies, to Mortgagee marked "paid" and, in case of insurance policies about to expire, the Mortgagor shall deliver renewal policies not less than thirty (30) days prior to the respective dates of expiration.

Mortgagor shall not carry any separate insurance, concurrent in kind or form and contributing in the event of a loss, with any insurance required herein. Mortgagee may, at any time and in its sole discretion, upon written notice to the Mortgagor, procure and substitute for any and all of the policies of insurance required herein, in such amounts and with such companies as Mortgagee may select, the cost of which shall be paid by Mortgagor to Mortgagee upon demand. In the event of a change in ownership or of occupancy of the Premises (if approved in writing by Mortgagee), immediate notice thereof shall be delivered to all insurers. All monies paid by the Mortgagee in procuring said insurance that are not reimbursed by the Mortgagor shall be additional indebtedness hereby Secured and shall be immediately due and payable without the requirement of notice, together with interest thereon at the Default Rate. In the event of foreclosure of this Mortgage or other transfer of title to the Premises in extinguishment of the indebtedness hereby Secured, all right, title and interest of the Mortgagor in and to any insurance policies then in force and any claims or proceeds thereunder shall pass to the Mortgagee or any purchaser or grantee at the foreclosure sale or after entry of decree of foreclosure.

The Mortgagor shall give the Mortgagee prompt notice of any damage to or destruction of the Premises.

In case of loss covered by policies of insurance, the Mortgagor (or, after entry of decree of foreclosure, the purchaser at the foreclosure sale or decree creditor, as the case may be) is hereby authorized at its option either (i) to settle and adjust any claim under such policies without the consent of the Mortgagor, or (ii) allow the Mortgagor to agree with the insurance company or companies on the amount to be paid upon the

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loss; provided that the Mortgagor may itself adjust losses aggregating not in excess of Five Thousand Dollars (\$5,000), and provided further that in any case the Mortgagee shall, and is hereby authorized to, collect and receipt for any such insurance proceeds. The expenses incurred by the Mortgagee in the adjustment and collection of insurance proceeds shall be so much additional indebtedness hereby secured, which shall be immediately due and payable to the Mortgagee without the requirement of notice, together with interest thereon at the Default Rate.

In the event of any insured damage to or destruction of the Premises or any part thereof ("Insured Casualty") and if, in the reasonable judgment of the Mortgagee, the Premises can be restored to an architectural and economic unit of the same character and not less valuable than existed prior to the Insured Casualty and adequately securing the outstanding balance of the indebtedness hereby secured, and if the insurers do not deny liability to the insureds, and if no Event of Default shall have occurred and be then continuing, and if all existing Leases shall continue in full force and effect without reduction or abatement of rentals (except during the period of untenability), and if Mortgagee is given an architect's certificate acceptable to Mortgagee indicating the Premises may be reconstructed at least 30 days prior to the Maturity Date, and if the Premises as reconstructed will be of at least equal value and of substantially the same character as prior to such damage or destruction, then the proceeds of insurance shall be applied, consistent with the provisions of paragraph 3.8 hereof, to reimburse the Mortgagor for the cost of restoring, repairing, replacing, or rebuilding (herein generally called "Restoring") the Premises or any part thereof.

If, in the reasonable judgment of Mortgagee, the Premises cannot be restored to an architectural and economic unit as provided within the time set forth above, then, at any time from and after the Insured Casualty, upon thirty (30) days' written notice to Mortgagor, Mortgagee may declare the entire balance of the indebtedness hereby secured to be due, and at the expiration of such thirty (30) day period the indebtedness hereby secured shall be and become immediately due and payable.

Except as may be otherwise provided herein, Mortgagee shall apply the proceeds of insurance (including amounts not required for Restoring) resulting from any Insured Casualty upon the indebtedness hereby secured, in such order or manner as the Mortgagee may elect; provided that no premium or penalty shall be payable in connection with any prepayment of the indebtedness hereby secured made out of insurance proceeds as aforesaid.

In the event that proceeds of insurance, if any, shall be made available to the Mortgagor for the Restoring of the Premises, Mortgagor hereby covenants to restore the same to be of at least equal value and of substantially the same character as prior to such damage or destruction in accordance with plans and specifications to be first submitted to and approved by the Mortgagee. In the event Mortgagee shall fail within a reasonable time, subject to delays beyond its control, to restore or rebuild the improvements, then Mortgagee, at its option, may, but under no circumstance shall be obligated to, restore and rebuild said improvements, for or on behalf of the Mortgagor, and for such purpose may do all necessary acts including, without limitation, using the insurance proceeds or any other amounts deposited by the Mortgagor.

Any portion of the insurance proceeds remaining after deduction for all expenses incurred in the collection and administration of the insurance proceeds (including attorneys' fees) and after payment in full of the indebtedness hereby secured shall be paid to Mortgagor or as ordered by a court of competent jurisdiction.

No interest shall be payable by Mortgagee on account of any insurance proceeds at any time held by Mortgagor.

4.7 Condemnation and Eminent Domain. The Mortgagor shall give Mortgagee prompt notice of any proceedings, instituted or threatened, seeking condemnation or taking by eminent domain or any like process (generally "Taking"), of all or any part of the Premises or affecting any easement thereon or appurtenance thereof (including severance of, consequential damage to, or change in grade of streets), and shall deliver to Mortgagee copies of any and all papers served in connection with any such proceeding.

Mortgagor hereby assigns, transfers and sets over unto Mortgagee the entire proceeds of any and all Awards resulting from any Taking. Mortgagee is hereby authorized to collect and receive from the condemnation authorities said Awards and is further authorized to give appropriate receipts and acquittances therefor.

If, in the reasonable judgment of the Mortgagee, the Premises can be restored to an architectural and economic unit of the same character and not less valuable than existed prior to such Taking and adequately securing the outstanding balance of the indebtedness hereby secured, and if no Event of Default shall have occurred and be then continuing, and if all existing Leases shall continue in full force and effect without reduction or abatement of rentals (except during the period of untenability), and if Mortgagee is given an architect's certificate acceptable to Mortgagee indicating the Premises may be reconstructed at least 30 days prior to the Maturity Date, then the Award shall be applied, consistent with the provisions of paragraph 3.8 hereof, to reimburse Mortgagor for the cost of Restoring the portion of the Premises remaining after such Taking as provided for hereinafter.

If in the reasonable judgment of Mortgagee the Premises cannot be restored to an architectural and economic unit, then at any time from and after the Taking, upon thirty (30) days' written notice to Mortgagor, Mortgagee may declare the entire balance of the indebtedness hereby secured to be due and at the expiration of such thirty (30) day period the indebtedness hereby secured shall be and become immediately due and payable.

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Except as provided for above, Mortgagee shall apply any Award (including the amount not required for Restoring effected in accordance with the above) upon the Indebtedness Hereby Secured in such order or manner as Mortgagee may elect; Provided, that no premium or penalty shall be payable in connection with any prepayment of the Indebtedness Hereby Secured made out of any Award as aforesaid.

In the event that any Award shall be made available to the Mortgagor for Restoring the portion of the Premises remaining after a Taking, Mortgagor hereby covenants to restore the remaining portion of the Premises to be of at least equal value and of substantially the same character as existed prior to such Taking, all to be effected in accordance with the provisions for disbursement as hereinafter set forth. In the event the Mortgagor shall fail within a reasonable time, subject to delays beyond its control, to commence and complete the Restoring, Mortgagee may, but under no circumstance shall become obligated to, rebuild the Premises for or on behalf of the Mortgagor and for such purpose may do all necessary acts including, without limitation, using the Awards.

Any portion of any Award remaining after deduction for all expenses incurred in the collection and administration of the Award (including attorneys' fees) and after payment in full of the Indebtedness Hereby Secured shall be paid to Mortgagor or as ordered by a court of competent jurisdiction.

No interest shall be payable by Mortgagee on account of any Award at any time held by Mortgagee.

Mortgagor agrees to make, execute and deliver to Mortgagee, at any time upon request, free, clear, and discharged of any encumbrances of any kind whatsoever, any and all further assignments and other instruments deemed necessary by the Mortgagee for the purpose of validly and sufficiently assigning all Awards and other compensation heretofore and hereafter made to Mortgagor for any Taking, either permanent or temporary, under any such proceeding.

4.8 Disbursement of Insurance Proceeds and Awards. In the event the Mortgagor is entitled to reimbursement out of insurance proceeds or any Award held by the Mortgagee, such proceeds shall be disbursed from time to time upon the Mortgagee being furnished with satisfactory evidence of the estimated cost of completion of the Restoring, with funds (or assurance satisfactory to the Mortgagee that such funds are available) sufficient in addition to the proceeds of insurance or Award, to complete the proposed Restoring, and with such architect's certificates, waivers of lien, contractor's sworn statements and such other evidences of costs and of payment as the Mortgagee may reasonably require and approve; and the Mortgagee may require that all contractors and subcontractors, in addition to all plans and specifications for such Restoring, be approved by the Mortgagee prior to commencement of work. No payment made prior to the final completion of the Restoring shall exceed ninety percent (90%) of the value of the work performed from time to time. Funds other than proceeds of insurance or Award shall be disbursed prior to disbursement of such proceeds, except as may otherwise be provided in any loan agreement expressly approved by the Mortgagee. At all times the undisbursed balance of such proceeds remaining in the hands of the Mortgagee together with funds deposited for the purpose or irrevocably committed to the satisfaction of the Mortgagee by or on behalf of the Mortgagor for the Restoring, shall be at least sufficient, in the reasonable judgment of the Mortgagee, to pay for the cost of completion of the Restoring, free and clear of all liens or claims for liens.

4.9 Restrictions on Transfer. Mortgagor shall not, without prior written consent of the Mortgagee:

- (a) Create, effect, contract for, commit to or consent to nor suffer or permit any conveyance, sale, assignment, transfer, hypothecation, lien, pledge, mortgage, security interest, or other encumbrance or alienation (or any agreement to do any of the foregoing) of the Premises or any part thereof, or interest therein or title thereto (excepting, however the disposition of "Obsolete Collateral" which shall be sales or other dispositions of Collateral (as hereinafter defined) no longer useful in connection with the operation of the Premises; Provided, that prior to the sale or other disposition thereof, such Obsolete Collateral has been replaced by Collateral subject to the prior lien and with the same priority hereof, with at least equal value and utility); and
- (b) If the Mortgagor is a land trustee ("Trustee Mortgagor"), then no beneficiary of the Mortgagor shall create, effect, contract for, commit to, or consent to, or shall suffer or permit, any sale, assignment, collateral assignment, transfer, lien, pledge, mortgage, security interest, removal or other encumbrance or alienation of such beneficiary's beneficial interest in the Mortgagor; and
- (c) If the Mortgagor is a corporation, or if any corporation is a beneficiary of a Trustee Mortgagor, then no shareholder of such corporation shall create, effect, contract for, commit to or consent to or shall suffer or permit any sale, assignment, transfer, lien, pledge, mortgage, security interest, removal, or other encumbrance or alienation of any such shareholder's shares in such corporation; and
- (d) If the Mortgagor is a partnership or joint venture, or if any beneficiary of a Trustee Mortgagor is a partnership or joint venture, then no general partner or joint venturer in such partnership or joint venture shall create, effect or consent or shall suffer or permit any sale, assignment transfer, lien, pledge, mortgage security interest, removal or other encumbrance or alienation of any part of the partnership interest or joint venture interest, as the case may be, of such partner or joint venturer; and
- (e) Allow any change in control (by way of transfers of stock ownership, partnership interests or otherwise) in any corporation or partnership constituting or included within the Mortgagor which directly

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or indirectly controls any corporation or partnership constituting or included within the Mortgagor that results in a material change in the identity of the person(s) in control of such entity.

The foregoing provisions of this Paragraph shall not apply (i) to liens securing the indebtedness hereby Secured, (ii) to the lien of current Taxes not in default or (iii) to any transfers of the Premises, or part thereof, or interest therein, or any beneficial interests, or shares of stock or partnership or joint venture interests as the case may be, in the Mortgagor or any beneficiary of a Trustee Mortgagor by or on behalf of an owner thereof who is deceased or declared judicially incompetent, to such owner's heirs, legatees, devisees, executors, administrators, estate, personal representatives and/or committee.

Any waiver by Mortgagee of the provisions of this Paragraph shall not be deemed to be a waiver of the right of the Mortgagee in the future to insist upon strict compliance with the provisions hereof.

In the event Mortgagee gives its written consent to the sale or transfer, whether by operation of law, voluntarily or otherwise, of all or any part of the Premises, Mortgagee shall be authorized and empowered to deal with the vendee or transferee with regard to the Premises, the indebtedness hereby Secured, and any of the terms or conditions hereof as fully and to the same extent as it might with Mortgagor, without in any way releasing or discharging Mortgagor from any of its covenants hereunder, and without waiving Mortgagee's right of acceleration as provided herein. Mortgagee may condition any consent upon such increase in rate of interest payable upon the indebtedness hereby Secured, change in monthly payments thereon, change in maturity thereof and/or the payment of a fee, all as Mortgagee may, in its sole discretion, require.

The provisions of this Paragraph shall be operative with respect to, and shall be binding upon, any persons who, in accordance with the terms hereof or otherwise, shall acquire any part of or interest in or encumbrance upon the Premises, or in such beneficial interest, share of stock of, or partnership or joint venture interest in the Mortgagor or any beneficiary of a Trustee Mortgagor.

4.10 Change in Tax Laws. If, by the laws of the United States of America, or of any state, county, or municipal governmental subdivision having jurisdiction over Mortgagee, Mortgagor or the Premises, any tax is imposed or becomes due in respect of the issuance of the Note or the recording of this Mortgage, Mortgagor shall pay such tax in the manner required by such law. In the event that any law, statute, rule, regulation, order, or court decree has the effect of deducting from the value of the Premises for the purpose of taxation any lien thereon, or imposing upon Mortgagee the payment of the whole or any part of the taxes required to be paid by the Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the interest of Mortgagee in the Premises, or the manner of collection of taxes, so as to affect this Mortgage, or the indebtedness hereby Secured, then Mortgagor shall, upon demand by Mortgagee or any subsequent holder of the Note, all pay said taxes, or reimburse Mortgagee therefor on demand, unless Mortgagee determines, in Mortgagee's sole and exclusive judgment, that such payment or reimbursement by Mortgagor is unlawful; in which event the indebtedness hereby Secured shall be due and payable within thirty (30) days after written demand by Mortgagee to Mortgagor. Nothing in this Paragraph shall require Mortgagor to pay any income, franchise or excise tax imposed upon Mortgagee, excepting only such which may be levied against the income of Mortgagee as a complete or partial substitute for taxes required to be paid by Mortgagor pursuant hereto.

4.11 Inspection of Premises. The Mortgagor shall at all reasonable times permit the Mortgagee and its agents and designees, to enter on and inspect the Premises; deliver to the Mortgagee either all of its executed originals (in the case of chattel paper or instruments) or certified copies (in all other cases) of all leases, agreements creating or evidencing Personal Property, all amendments and supplements thereto, and any other document which is, or which evidences, governs, or creates the Premises; permit access by the Mortgagee to its books and records, construction progress reports, tenant registers, sales records, offices, insurance policies, supporting data, vouchers and other papers for examination and the making of copies and extracts; and prepare such schedules, summaries, reports and progress schedules as the Mortgagee may request.

4.12 Certified Annual Operating Statements. Mortgagor, (or if the Mortgagor is a Land Trust, the beneficiaries thereof) at Mortgagor's expense, shall furnish (i) an annual statement of the operation of the Premises prepared and certified by an independent public accountant acceptable to Mortgagee, showing in reasonable detail satisfactory to Mortgagee, among other things, total rents and other income received and total expenses together with an annual balance sheet and profits and loss statement, within ninety (90) days after the close of each fiscal year of Mortgagor (or if the Mortgagor is a Land Trust, the beneficiaries thereof), beginning with the fiscal year first ending after the date of delivery of this Mortgage; (ii) within 30 days after the end of each calendar quarter (March 31, June 30, September 30, December 31), interim statements of the operation of the Premises showing in reasonable detail satisfactory to Mortgagee, among other things, total rents and other income received and total expenses, for the previous quarter, certified by a certified public accountant; (iii) copies of the Mortgagor's annual State and Federal Income Tax filings within thirty (30) days of filing; (iv) annual financial statements for Mortgagor certified by a certified public accountant, including a balance sheet showing assets and liabilities, all in reasonable detail satisfactory to Mortgagee, within ninety (90) days after the close of each fiscal year of Mortgagor (or if the Mortgagor is a Land Trust, the beneficiaries thereof). Mortgagee may, by notice in writing to the Mortgagor, require that the same be prepared and certified, pursuant to audit, by a firm of independent certified accountants satisfactory to Mortgagee, in which case such accountants shall state whether or not, in their opinion, any Event of Default exists hereunder or under the Note. If the statements furnished shall not be prepared in accor-

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dance with generally accepted principals consistently applied or if the Mortgagor fails to furnish the same when due, Mortgagee may audit or cause to be audited the books of the Premises and/or the Mortgagor or if the Mortgagor is a Land Trust, the beneficiaries thereof, at Mortgagor's expense, and the costs of such audit shall be so much additional indebtedness Hereby Secured bearing interest at the Default Rate until paid, with all payable immediately upon demand.

4.13 Acknowledgment of Debt. Mortgagor within three (3) days upon request in person or within five (5) days upon request by mail, shall furnish (i) a written statement duly acknowledged of all amounts due on any indebtedness Hereby Secured, whether for principal or for interest on the Note or otherwise, and stating whether any offsets or defenses exist against the indebtedness Hereby Secured and covering such other matters as Mortgagee may reasonably require; and (ii) a certificate of Mortgagor setting forth the names of all lessees under any Leases, the terms of their respective Leases, the space occupied, the rents payable thereunder, and the dates through which any and all rents have been paid.

4.14 Other Amounts Secured. At all times, regardless of whether any proceeds of the Loan have been disbursed, this Mortgage shall secure any advances made pursuant to the provisions of the Loan Documents and any other amounts as provided herein, and the payment of any and all commissions, service charges, liquidated damages, expenses, and advances due to be paid or incurred by Mortgagee in connection with the Loan secured hereby, all in accordance with the application and loan commitment issued in connection with this transaction, if any, and the other Loan Documents.

4.15 Assignment of Leases and Rents, Subordination. All right, title and interest of the Mortgagor in and to all present Leases affecting the Premises, and including and together with any and all future Leases upon all or any part of the Premises, and together with all of the Rents, from or due or arising out of the Premises have been transferred and assigned simultaneously herewith to the Mortgagee as further security for the payment of said indebtedness Hereby Secured under provisions of a certain instrument captioned Assignment of Leases and Rents ("Assignment of Rents"), of even date herewith, executed by Mortgagor and to be recorded simultaneously herewith, the terms, covenants, and conditions of which are hereby expressly incorporated herein by reference and made a part hereof, with the same force and effect as though the same were more particularly set forth herein. After an Event of Default, Mortgagee shall have such powers and rights as are contained in said Assignment of Rents in addition to any non-conflicting rights and powers as provided herein. All future Leases affecting the Premises shall be submitted by the Mortgagor to the Mortgagee for its approval prior to the execution thereof. All approved and executed Leases shall be specifically assigned to the Mortgagee by instrument in form satisfactory to Mortgagee. All or any such Leases, shall, at the option of Mortgagee, be paramount or subordinate to this Mortgage and Mortgagee shall have such power to cause and perfect said Leases as paramount or subordinate as are granted in the Assignment of Leases. This Mortgage shall not merge with the Assignment of Rents or any other interest of Mortgagee in the Premises, or any part thereof, now or hereafter existing, and whether before or after any Event of Default or Foreclosure of the Mortgage unless Mortgagee shall consent in writing to such merger.

4.16 Security Agreement. Mortgagor and Mortgagee agree that this Mortgage shall constitute a Security Agreement within the meaning of the Uniform Commercial Code as enacted in the state where the Real Estate is located (hereinafter in this paragraph referred to as the "Code"), with respect to (i) any and all sums at any time on deposit for the benefit of Mortgagee or held by the Mortgagee (whether deposited by or on behalf of the Mortgagor or anyone else) pursuant to any of the provisions of the Mortgage ("Deposits") and (ii) with respect to any property included in the granting clauses of this Mortgage, which property may not be deemed to form a part of the Premises described in Schedule A attached hereto 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 (all of said property and the replacements, substitutions and additions thereto and the proceeds thereof being sometimes hereinafter collectively referred to as the "Collateral"), and that a security interest in and to the Collateral is hereby granted to the Mortgagee, and the Collateral 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. Upon occurrence of an Event of Default under this Mortgage, the Mortgagee, pursuant to the appropriate provisions of the Code, shall have the option of proceeding with respect to the Collateral as to both real and personal property in accordance with its rights and remedies with respect to the Real Property, in which event the default provisions of the Code shall not apply. The parties agree that, in the event 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, unserviceable or unnecessary for use in the operation of the Premises, upon replacing the same or substituting for the same other collateral at least equal in value to the initial value to that disposed of and in such a manner so that said Collateral shall be subject to the security interest created hereby and so that the security interest of the Mortgagee shall be first in priority, it being expressly understood and agreed that all replacements of the Collateral and any 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 an inventory of the Collateral in reasonable detail. The Mortgagor covenants and represents that all Collateral now is, and that

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all replacements thereof, substitutions therefor or additions thereto, unless the Mortgagee otherwise consents, will be, free and clear of liens, encumbrances or the security interest of others.

4.17 Future Advances. This Mortgage also secures the payment of and includes all future or further advances as shall be made at all times, regardless of whether Loan proceeds have been disbursed, by the Mortgagee herein or its successors or assigns, to and for the benefit of the Mortgagor, its heirs, personal representatives, or assigns, to the same extent as if such future advances were made on the date of the execution of this Mortgage. The total amount of Indebtedness Hereby Secured by this Mortgage may decrease or increase from time to time but the total unpaid balance so secured at any one time shall not exceed the maximum principal sum permitted by the laws of the state in which the Premises are located or \$1,050,000.00 Dollars (whichever is the lesser if a specific amount is specified) together with interest thereon and any and all disbursements made by the Mortgagee for the payment of Taxes, or Insurance on the Premises covered by the lien of this Mortgage and for reasonable attorneys' fees, loan commissions, service charges, liquidated damages, expenses and court costs incurred in the collection of any or all of such sums of money. Such further or future advances shall be wholly optional with the Mortgagee and the same shall bear interest at the same rate as specified in the Note referred to herein unless said interest rate shall be modified by subsequent agreement.

4.18 Prepayment Privilege. At such time as there is no Event of Default under the terms of the Note, the Loan Documents or this Mortgage, the Mortgagor shall have the privilege of making prepayments on the principal of the Note (in addition to the required payments thereunder) in accordance with the terms and conditions, if any, set forth in the Note, but not otherwise.

4.19 Effect of Extensions of Time, Amendments on Junior Liens and Others. If the payment of the Indebtedness Hereby Secured, or any part thereof, shall be extended or varied, or if any of the security shall be released, all persons now or at any time hereafter liable therefor, or interested in the Premises, shall be held to assent to such extension, variation or release, and their liability, if any, and the lien, and all provisions hereof, shall continue in full force and effect; the right of recourse against all such persons being expressly reserved by the Mortgagee notwithstanding any such extension, variation or release. Any person, firm or corporation taking a junior mortgage or other lien upon the Premises or any interest therein, shall take the said lien subject to the rights of the Mortgagee herein to amend, modify and supplement this Mortgage, the Note, the Loan Documents or any other document or instrument evidencing, securing or guarantying the Indebtedness Hereby Secured and to vary the rate of interest and the method of computing the same and to impose additional fees and other charges, and to extend the maturity of the Indebtedness Hereby Secured, in each and every case without obtaining the consent of the holder of such junior lien and without the lien of this Mortgage losing its priority over the rights of any such junior lien. Nothing in this paragraph contained shall be construed as waiving any provision contained herein which provides, among other things, that it shall constitute an Event of Default if the Premises be sold, conveyed or encumbered.

4.20 Mortgagee's Right to Modify. Mortgagor consents to any and all renewals and extensions in the time of payment of the secured Indebtedness, and agrees further that at any time and from time to time without notice, the terms of payment provided for in the Note may be modified or the security described in this Mortgage released (in whole or in part) or increased, changed or exchanged by agreement between the Mortgagee and any owner of the Premises affected by this Mortgage without in anywise affecting the liability of any party to the Note, or any person liable or to become liable with respect to the Indebtedness Hereby Secured. No sale of the Premises, or any forbearance by Mortgagee in exercising any right or remedy hereunder or otherwise afforded by applicable law, shall be a waiver of or preclude the exercise of any right or remedy hereunder. Nor shall any sale of the Premises in anywise affect the liability of any party to the Note, or any person liable or to become liable with respect to the Indebtedness Hereby Secured.

4.21 Usury. Reduction of Interest. Notwithstanding anything to the contrary in the Note or in any other agreement entered into in connection herewith or securing the Indebtedness evidenced thereby, whether now existing or hereafter arising and whether written or oral, it is agreed that the aggregate of all interest and any other charges constituting interest, or adjudicated as constituting interest, and contracted for, chargeable or receivable under the Note or otherwise in connection with the debt evidenced thereby, shall under no circumstances exceed the Maximum Rate specified in the Note ("Maximum Rate"). In the event the maturity of the Note is accelerated by reason of an election by the holder thereof resulting from a default thereunder or under any other Loan Documents, or by voluntary prepayment by Mortgagor or otherwise, then earned interest may never include more than the Maximum Rate. If from any circumstance any holder of the Note shall ever receive interest or any other charges constituting interest, or adjudicated as constituting interest, the amount, if any, which would exceed the Maximum Rate (the "Excess Interest") shall be applied to the reduction of the principal amount owing on the Note, and not to the payment of interest. If the Excess Interest exceeds the unpaid principal balance of the Note, then the Excess Interest shall be refunded to Mortgagor. All sums paid or agreed to be paid to the holder of the Note for the use, forbearance or detention of the Indebtedness of Mortgagor to the holder of the Note shall be amortized, prorated, allocated and spread throughout the full term of such Indebtedness.

4.22 Mechanic's Liens. Mortgagor shall not permit any mechanic's, laborer's or materialmen's liens to stand against the Premises. If any such lien shall at any time be recorded against the Premises, then Mortgagor shall (i) give written notice thereof promptly to Mortgagee and (ii) cause the same to be discharged of record within thirty (30) days after the date of recording of the same, either by payment, deposit or bond. If Mortgagor fails to discharge any such lien within such period, then Mortgagee, in addition to any other

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right or remedy hereunder, shall have the option (but not the obligation) to procure the discharge of such lien either by depositing the amount claimed to be due in court, or by bonding. Any amount paid or deposited by Mortgagee to discharge such lien, and all costs and other expenses, including all reasonable attorneys' fees, incurred in defending any action to foreclose such lien shall be deemed a part of the indebtedness hereby secured, shall be immediately due and payable, without demand, and shall bear interest at the Default Rate.

4.23 Partial Payments. Acceptance by the Mortgagee of any payment which is less than payment in full of all amounts due and payable at the time of such payment, shall not constitute a waiver of Mortgagee's right to exercise its option to declare the whole of the principal sum then remaining unpaid, together with all accrued interest thereon, immediately due and payable without notice, or any other rights of the Mortgagee at that time or any subsequent time, nor nullify any prior exercise of such option or such rights of Mortgagee without its express consent, except and to the extent otherwise provided by law.

5. EVENT OF DEFAULT AND REMEDIES

5.1 Event of Default. The occurrence of any of the following shall constitute an event of default ("Event of Default") under this Mortgage:

(a) Failure of Mortgagor to pay any amount due herein or secured hereby, interest thereon, or any installment of principal thereof or interest thereon as and when same becomes due and payable whether at maturity or by acceleration or otherwise under the Note, this Mortgage, or any of the other Loan Documents; or

(b) Failure of Mortgagor to perform or observe any other covenant, agreement, representation, warranty or other provision contained in the Note, this Mortgage (including, but not limited to the restrictions on transfer contained in paragraph 3.9 hereof), or the other Loan Documents after the expiration of any grace period expressly allowed in said instrument relative to the cure of such default; or

(c) Untruth or material deceptiveness of any representation, covenant or warranty contained in any of the Loan Documents, or Mortgagor's omission of any fact which under the circumstances made said statements misleading; or

(d)(i) The filing by Mortgagor of a voluntary petition in bankruptcy, insolvency, debtor relief or for arrangement, reorganization or other relief under any chapter of the Federal Bankruptcy Act or any similar law, state or federal, now or hereafter in effect; or the Mortgagor's consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Mortgagor or for any part of the Premises, or any substantial part of the Mortgagor's property; or the Mortgagor's general assignment for the benefit of Mortgagor's creditors, or the failure by the Mortgagor generally to pay its debts as they become due; or the taking of any action in furtherance of any of the foregoing;

(ii) The admission by Mortgagor in writing or the filing of an answer or other pleading in any proceeding admitting insolvency, bankruptcy, or inability to pay its debts as they mature;

(iii) A court having jurisdiction entering a decree or order for relief in respect of the Mortgagor, in any involuntary case brought under any bankruptcy, insolvency, debtor relief, or similar law now or hereafter in effect, or Mortgagor's consent to or failure to oppose any such proceeding; or any such court entering a decree or order appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Mortgagor, or for any part of the Premises, or any substantial part of the Mortgagor's property; or ordering the winding up or liquidation of the affairs of the Mortgagor; and, in the case of any of the foregoing, such decree or order shall not be dismissed within thirty (30) days after the entry thereof;

(iv) Mortgagor's failure to pay any money judgment against it within thirty (30) days following the day it becomes a lien against the Premises; and

(v) Any termination or voluntary suspension of the transaction of the business of the Mortgagor, or all or a substantial part of Mortgagor's assets are attached, seized, subjected to a writ or distress warrant, or are levied upon, unless such attachment, seizure, writ, warrant or levy is vacated within thirty (30) days;

For the purpose of this Subparagraph (d) only, the term Mortgagor shall mean and include not only Mortgagor, but also any beneficiary of a Trustee Mortgagor, any general partner in a partnership Mortgagor or in a partnership which is a beneficiary of a Trustee Mortgagor, any owner of more than ten percent (10%) of the stock in a corporate Mortgagor or a corporation which is the beneficiary of a Trustee Mortgagor and each person who, as guarantor, co-maker or otherwise, shall be or become liable for or obligated upon all or any part of the indebtedness hereby secured or any of the covenants or agreements contained in any of the Loan Documents; or

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(e) If Mortgagor is other than a natural person or persons, without the prior written consent of Mortgagee in each case, (a) the dissolution or termination of existence of Mortgagor, voluntarily or involuntarily, whether by reason of death of a general partner of Mortgagor or otherwise; (b) the amendment or modification in any respect of Mortgagor's articles or agreement of partnership or its corporate resolutions relating to this transaction or its articles of incorporation or bylaws, or (c) the distribution of any of the Mortgagor's capital, except for distributions of the proceeds of the Loan and cash from operations (meaning any cash of the Mortgagor earned from operation of the Premises, but not from a sale or refinancing of the Premises or from borrowing, available after paying all ordinary and necessary current expenses of the Mortgagor, including expenses incurred in the maintenance of the Premises and after establishing reserves to meet current or reasonably expected obligations of the Mortgagor); or

(f) Any other event occurring (including, without limitation, default in order to avoid prepayment penalty or premium) or failing to occur which, under this Mortgage, under the Note, under any of the Loan Documents or under any document or instrument referenced herein or related hereto, constitutes a default by Mortgagor or gives Mortgagee the right to accelerate the maturity or any part thereof of the Indebtedness Hereby Secured.

5.2 Acceleration of Maturity. At any time during the existence of any Event of Default, Mortgagee is hereby authorized and empowered, at its option, and without affecting the lien hereby created or the priority of said lien or any right of the Mortgagee hereunder, to declare, without further notice, all indebtedness Hereby Secured (which shall include any prepayment premium or penalty provided for in the Note) to be immediately due and payable, whether or not such Event of Default is thereafter remedied by the Mortgagor, and the Mortgagee may, whether or not the said declaration is made, immediately proceed to foreclose this Mortgage and/or exercise any right, power or remedy provided by this Mortgage, the Note, the Assignment of Rents, or any of the Loan Documents, or by law or in equity conferred.

5.3 Foreclosure of Mortgage. Upon occurrence of any Event of Default, or at any time thereafter, Mortgagee may, at its option, proceed to foreclose the lien of this Mortgage by judicial proceedings in accordance with the laws of the State in which the Premises are located.

5.4 Remedies Cumulative and Non-Waiver. No remedy or right of the Mortgagee hereunder, or under the Note, or under any other of the Loan Documents or otherwise available under applicable law, shall be exclusive of any other right or remedy, but each such remedy or right shall be in addition to every other remedy or right now or hereafter existing under any such document or under applicable law. No delay in the exercise of, or omission to exercise, any remedy or right accruing on any Event of Default shall impair any such remedy or right or be construed to be a waiver of any such Event of Default or an acquiescence therein, nor shall it affect any subsequent Event of Default of the same or a different nature, nor shall it extend or affect any grace period. Every such remedy or right may be exercised concurrently or independently, when and as often as may be deemed expedient by the Mortgagee. All obligations of the Mortgagor, and all rights, powers and remedies of the Mortgagee expressed herein shall be in addition to, and not in limitation of, those provided by law or in the Note or any Loan Documents or any other written agreement or instrument relating to any of the Indebtedness Hereby Secured or any security therefor.

5.5 Litigation Expenses. In any suit or proceeding to foreclose the lien of this Mortgage or enforce any other remedy of Mortgagee under any of the Note, this Mortgage, and the other Loan Documents, or in any other proceeding whatsoever in connection with any of the Loan Documents or any of the Premises in which Mortgagee is named as a party, there shall be allowed and included, as additional indebtedness in the judgment or decree for sale resulting therefrom, all expenses paid or incurred in connection with such proceeding by or on behalf of Mortgagee including, without limitation, attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, photocopy expenses, stenographers' charges, mail and telephone costs, publication costs, survey cost, and costs (which may be estimated as to items to be expended after entry of such judgment or decree) of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and any similar data and assurances with respect to title to the Premises as Mortgagee may deem reasonably necessary either to prosecute or defend in such proceeding or to evidence to bidders at any sale pursuant to such decree the true condition of the title to or value of the Premises. All expenses and fees of the foregoing nature, and such expenses and fees as may be incurred in the protection of any of the Premises and the maintenance of the lien of this Mortgage thereon in any litigation affecting the Note, this Mortgage, the Loan Documents or the Premises, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding in connection therewith, shall be immediately due and payable by Mortgagor with interest thereon at the applicable rate specified in the Note.

5.6 Mortgagee's Performances of Mortgagor's Obligations. In case of any Event of Default herein, the Mortgagee, either before or after acceleration of the Indebtedness Hereby Secured, or the foreclosure of the lien hereof and during the period of redemption, if any, may, but shall not be required to, make any payment or perform any act herein, in the Note, any other of the Loan Documents, or any document or instrument related thereto which is required of the Mortgagor (whether or not the Mortgagor is personally liable therefor) in any form and manner deemed expedient to the Mortgagee; and the Mortgagee may, but shall not be required to, make full or partial payments of principal or interest on any permitted prior mortgage or encumbrances; purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises, or contest any Taxes and may, but shall not be required to, complete construction, furnishing and equipping of the improvements upon the Premises and rent, operate and

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manage the premises and such improvements and pay operating costs and expenses, including management fees, of every kind and nature in connection therewith, so that the Premises and improvements shall be operational and usable for their intended purposes. The Mortgagee may, but shall not be required to, notify any person obligated to the Mortgagor under or with respect to any Third Party Agreements of the existence of the Event of Default and require that performance be made directly to the Mortgagee at the Mortgagor's expense and advance such sums as are necessary or appropriate to satisfy the Mortgagor's obligations thereunder; and Mortgagor agrees to co-operate with the Mortgagee to accomplish the foregoing. All monies paid for any of the purposes herein authorized, and all expenses paid or incurred in connection therewith, including attorneys' fees and any other monies advanced by the Mortgagee to protect the Premises and the lien hereof, or to complete construction, furnishing and equipping or to rent, operate and manage the Premises and such improvements or to pay any such operating costs and expenses thereof, or to keep the Premises and improvements operational and usable for their intended purposes, shall be so much additional indebtedness Hereby Secured, whether or not they exceed the amount of the Note, and shall become immediately due and payable without notice; and with interest thereon at the Default Rate. The Mortgagee is hereby authorized to make any payment with respect to: (a) Taxes, according to any bill, statement or estimate, without inquiry into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; (b) the purchase, discharge, compromise or settlement of any other prior lien, without inquiry as to the validity or amount of any claim for lien which may be asserted; and (c) the completion of construction, furnishing or equipping of the improvements or the Premises or the rental, operation or management of the Premises or the payment of operating cost and expenses thereof, may do so in such amounts and to such persons as Mortgagee may deem appropriate, and may either enter into such contracts therefor as Mortgagee may deem appropriate or may perform the same itself.

5.7 Appointment of Receiver. Upon, or at any time after the filing, of any complaint to foreclose the lien of this Mortgage, the court may, upon application, appoint a receiver of the Premises. Such appointment may be made either before or after foreclosure sale, without notice; without regard to the solvency or insolvency, at the time of application for such receiver, of the person or persons, if any, liable for the payment of the indebtedness Hereby Secured; without regard to the value of the Premises at such time and whether or not the same is then occupied as a homestead; and without bond being required of the applicant. Mortgagee or any employee or agent thereof may be appointed as such receiver. Such receiver shall have the power to take possession, control, and care of the Premises and to collect all Rents thereof during the pendency of such foreclosure suit, and, in the event of a sale and a deficiency where Mortgagor has not waived its statutory rights of redemption, during its full statutory period of redemption, as well as during any further times when Mortgagor or its devisees, legatees, heirs, executors, administrators, legal representatives, successors, or assigns, except for the intervention of such receiver, would be entitled to collect such Rents and shall have all other powers that may be necessary or useful in such cases for the protection, possession, control, management, and operation of the Premises during the whole of any such period. To the extent permitted by law, such receiver may be authorized by the court with such rights and powers as are provided herein, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Premises are subject to the lien hereof, and upon the purchaser or purchasers at any such foreclosure sale, notwithstanding any redemption from sale, discharge or indebtedness, satisfaction of foreclosure decree, or issuance of certificate of sale or deed to any purchaser.

5.8 Foreclosure Sale. In the event of any foreclosure sale of the Premises, the same may be sold in one or more parcels. The Mortgagee may be the purchaser at any foreclosure sale of the Premises or any part thereof.

5.9 Application of Proceeds. The proceeds of any foreclosure sale of the Premises, or any part thereof, shall be distributed and applied in the following order of priority: (a) on account of all costs and expenses incident to the foreclosure proceedings; (b) all other items that, under the terms of this Mortgage, constitute indebtedness Hereby Secured additional to that evidenced by the Note, with interest thereon at the Default Rate; (c) all principal and interest remaining unpaid under the Note, in the order of priority specified by Mortgagee in its sole discretion; and (d) the balance to Mortgagor or its successors or assigns, as their interests and rights may appear.

5.10 Application of Deposits. In the event of any Event of Default, Mortgagee may, at its option, without being required to do so, apply any monies or securities that constitute deposits made to or held by Mortgagee or any depository pursuant to any of the provisions of this Mortgage toward payment of any of Mortgagor's obligations under the Note, this Mortgage, or any of the other Loan Documents, in such order and manner as Mortgagee may elect. When the indebtedness Hereby Secured has been fully paid, any remaining deposits shall be paid to Mortgagor or to the then owner or owners of the Premises.

5.11 Insurance Upon Foreclosure. In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in restoring the improvements, shall be used to pay the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid as the court may direct. In the case of foreclosure of this Mortgage, the court, in its decree, may provide that the Mortgagee's clause attached to each of the casualty insurance policies may be canceled and that the decree creditor may cause a new loss clause to be attached to each of said casualty policies making the loss thereunder payable to said decree creditors; and any such foreclosure decree may further provide that in case of one or more redemptions under said decree, pursuant to the statutes in each such case made and provided, then in every such case, each and every successive redeemer may cause the preceding loss clause attached to each casualty insurance policy to be can-

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ceded and a new loss clause to be attached thereto, making the loss thereunder payable to such redeemer. In the event of foreclosure sale, the Mortgagee is hereby authorized, without the consent of the Mortgagor, to assign any and all insurance policies to the purchaser at the sale, or to take such other steps as the Mortgagee may deem advisable to cause the interest of such purchaser to be protected by any of the said insurance policies without credit or allowance to Mortgagor for prepaid premiums thereon.

5.12 Waiver of Redemption Rights, No Marshalling. The Mortgagor hereby covenants and agrees on behalf of itself and on behalf of each and every person that it shall not at any time insist upon or plead, or in any manner whatever claim or take advantage of, any stay, exemption or extension law, including, but not by way of limitation, any Homestead Exemption Law, or any so-called "Moratorium Law" now or at any time hereafter in force, nor claim, take or insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisal of the Premises which are the subject of the Mortgage ("Premises"), or any part thereof, prior to any sale or sales thereof to be made pursuant to any provisions herein contained, or to decree, judgment or order of any court of competent jurisdiction; or after such sale or sales claim or exercise any rights under any statute now or hereafter in force to redeem the Premises so sold, or any part thereof, or relating to the marshalling thereof, upon foreclosure sale or other enforcement hereof, it being the intent hereof that any and all such rights of redemption of the Mortgagor and of all other persons shall be deemed to be hereby waived to the full extent permitted by the provisions of applicable law or replacement statutes. If the Mortgagor is a Trustee, then it represents that the provisions of this Paragraph (including the waiver of redemption rights) were made at the express direction of Mortgagor's beneficiaries and the persons having the power of direction over Mortgagor, and are made on behalf of the Trust Estate of Mortgagor and all beneficiaries of Mortgagor, as well as all other persons mentioned above. Mortgagor agrees that no action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and valid in an action upon the Note.

6. MISCELLANEOUS

6.1 Notices, Consents and Approvals. Any notice, consent or approval that Mortgagee or Mortgagor may desire or be required to give to the other shall be in writing and shall be mailed or delivered to the intended recipient thereof at its address set forth below or at such other address as such intended recipient may, from time to time, by notice in writing, designate to the sender pursuant hereto. Any such notice, consent or approval shall be deemed to have been delivered two (2) business days after mailing by United States registered or certified mail, return receipt requested, or when delivered in person with written acknowledgment of the receipt thereof. Except as otherwise specifically required herein, notice of the exercise of any right or option granted to Mortgagee by this Mortgagee is not required to be given.

(a) If to Mortgagee:

MIA/T+0
NATIONAL BANK OF GREECE, S.A., CHICAGO BRANCH
168 N. Michigan Avenue
Chicago, Illinois 60601

with copies to:

BOX 333 - TH

STRAUSS, SULZER, SHOPIRO & WILKINS, LTD.
20 North Clark Street, Suite 808
Chicago, Illinois 60602

and

(b) If to Mortgagor:

Mr. Spiros Markos
c/o Diplomat
5600 W. Fullerton
Chicago, IL 60639

with copies to:

Mr. Spiros Markos
8349 Coral Drive
Norridge, IL 60656

6.2 Time of Essence. It is specifically agreed that time is of the essence of this Mortgage.

6.3 Covenants Run with Land. All of the covenants of this Mortgage shall run with the land constituting the Premises.

6.4 Law; Venue; Jurisdiction. This Mortgage is, and shall be deemed to be, a contract entered into and pursuant to the laws of the State in which the Premises are located, and shall be in all respects governed, construed, applied and enforced in accordance with the laws of said state; and no defense given or

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allowed by the laws of any other state or country shall be interposed in any action or proceeding hereon unless such defense is also given or allowed by the laws of said State and the undersigned agrees to submit to personal jurisdiction in said State in any action or proceeding arising out of this Mortgage and, in furtherance of such agreement, the undersigned hereby agrees and consents that without limiting other methods of obtaining jurisdiction, personal jurisdiction over the undersigned in any such action or proceeding may be obtained within or without the jurisdiction of any court located in said state and that any process or notice of motion or other application to any such court in connection with any such action or proceeding may be served upon the undersigned by certified mail to or by personal service at the last known address of the undersigned, whether such address be within or without the jurisdiction of any such court.

6.5 Severability. If any provision of this Mortgage or the application thereof to any entity, person, or circumstance shall be invalid or unenforceable to any extent, the remainder of this Mortgage and the application of its provisions to other entities, person, or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

6.6 Headings. The headings of articles, sections, paragraphs and subparagraphs in this Mortgage are for convenience or reference only and shall not be construed in any way to limit or define the content, scope, or intent of the provisions hereof.

6.7 Grammar. As used in this Mortgage, the singular shall include the plural, and masculine, feminine, and neuter pronouns shall be fully interchangeable, where the context so requires.

6.8 Successors and Assigns. This Mortgage and all provisions hereof shall be binding upon Mortgagor, its successors, assigns, legal representatives, and all other persons or entities claiming under or through Mortgagor, and the word "Mortgagor," when used herein, shall include all such persons and entities and any others liable for the payment of the indebtedness hereby Secured or any part thereof, whether or not they have executed the Note or this Mortgage. The word "Mortgagee," when used herein, shall include Mortgagee's successors, assigns, and legal representatives, including all other holders, from time to time, of the Note.

This Mortgage is executed and delivered by LAKEVIEW TRUST AND SAVINGS BANK, a Corporation of Illinois, not personally, but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee; provided, however, that said bank hereby personally warrants that it possesses full power and authority to execute and deliver this Mortgage. It is expressly understood and agreed that nothing contained in this Mortgage shall be construed as creating any liability on said bank personally to pay the indebtedness secured by this Mortgage or any interest that may accrue thereon, or to perform any covenant, express or implied, contained herein, all such personal liability, if any, being expressly waived by Mortgagee and by every person now or hereafter claiming any right or security hereunder.

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be executed as of the date hereinaabove first written.

Mortgagor:

LAKEVIEW TRUST AND SAVINGS BANK

Not personally, but as Trustee under Trust # 5918 & 5992

By: 

Title: R. W. KINZIE
SENIOR VICE PRESIDENT, TRUST

(Seal)

Attest:

By: 

JAMES E. POLITES, JR.
TRUST OFFICER

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IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said County at Chicago, Illinois, this _____ day of _____, 20__.

JAMES E. LITTELL JR.
CLERK

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EXHIBIT A

REAL ESTATE LEGAL DESCRIPTION

PARCEL A

PARCEL 1: THAT PART OF THE WEST HALF OF SECTION 15, TOWNSHIP 45 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTER LINE OF GRAND AVENUE WITH THE CENTER LINE OF PUBLIC ROAD COMMONLY KNOWN AS FAULKNER ROAD OR DILLEY'S ROAD; THENCE NORTH 11 DEGREES 45 MINUTES WEST, ALONG THE CENTER LINE OF THE PUBLIC ROAD COMMONLY KNOWN AS FAULKNER ROAD OR DILLEY'S ROAD, 260.0 FEET; THENCE EAST 260.0 FEET, THENCE SOUTHERLY, PARALLEL, WITH THE CENTER LINE OF THE PUBLIC ROAD COMMONLY KNOWN AS FAULKNER ROAD OR DILLEY'S ROAD, APPROXIMATELY 391 FEET TO THE CENTER LINE OF GRAND AVENUE THENCE NORTHWESTERN ALONG THE CENTER LINE OF GRAND AVENUE TO THE POINT OF BEGINNING (EXCEPT THAT PART CONVEYED FOR HIGHWAY PURPOSES BY INSTRUMENT RECORDED APRIL 24, 1981 AS DOCUMENT 2110151), IN LAKE COUNTY, ILLINOIS.

PARCEL 2: THAT PART OF THE WEST HALF OF SECTION 15, TOWNSHIP 45 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS TO WIT: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTER LINE OF GRAND AVENUE AND THE CENTER LINE OF DILLEY'S ROAD (SOMETIMES KNOWN AS FAULKNER ROAD); THENCE NORTH 11 DEGREES 45 MINUTES WEST, ALONG THE CENTER LINE OF SAID DILLEY'S ROAD, A DISTANCE OF 433.0 FEET; THENCE EAST 633.7 FEET; THENCE SOUTH 0 DEGREES 5 MINUTES WEST TO THE CENTER LINE OF GRAND AVENUE; THENCE NORTHWESTERLY ALONG THE CENTER LINE OF GRAND AVENUE TO THE POINT OF BEGINNING; (EXCEPT THE WEST 260.0 FEET THEREOF, MEASURED ON THE NORTH LINE THEREOF, THE EASTERLY LINE OF WHICH EXCEPTION SHALL BE PARALLEL WITH THE CENTER LINE OF DILLEY'S ROAD), IN LAKE COUNTY, ILLINOIS

PARCEL 3: THAT PART OF THE WEST HALF OF SECTION 15, TOWNSHIP 45 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT IN THE CENTER LINE OF THE PUBLIC ROAD (COMMONLY KNOWN AS FAULKNER ROAD), NORTH 11 DEGREES 45 MINUTES WEST THROUGH THE SOUTH WEST QUARTER OF THE NORTH WEST QUARTER OF SAID SECTION 15, 433.0 FEET FROM THE INTERSECTION OF THE CENTER LINE OF GRAND AVENUE AND THE CENTER LINE OF SAID PUBLIC ROAD, EXTENDED SOUTH ON TANGENT (AS SHOWN ON THE PLAT OF SURVEY RECORDED AS DOCUMENT 1086220); THENCE EAST 260 FEET; THENCE SOUTHERLY PARALLEL, WITH THE CENTER LINE OF SAID PUBLIC ROAD, 173.0 FEET; THENCE WEST 260.0 FEET TO A POINT IN THE CENTER LINE OF SAID PUBLIC ROAD, 173.0 FEET FROM THE POINT OF BEGINNING; AND THENCE NORTH 11 DEGREES 45 MINUTES WEST 173.0 FEET ALONG THE CENTER LINE OF SAID PUBLIC ROAD TO THE POINT OF BEGINNING, IN LAKE COUNTY, ILLINOIS

PARCEL B

LOTS 137 TO 146 BOTH INCLUSIVE, IN FULLERTON CENTRAL MANOR BEING A SUBDIVISION IN THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 29, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 26, 1929 AS DOCUMENT NUMBER 10352965 IN COOK COUNTY, ILLINOIS

Commonly known as 5636 W. Fullerton Ave., Chicago, Illinois

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EXHIBIT "B"

LOAN DOCUMENTS

The terms "Loan Documents," as used in this Mortgage, means the following documents and any other documents previously, now, or hereafter given to evidence, secure, or govern the disbursement of the indebtedness hereby secured, including any and all extensions, renewals, amendments, modifications, and supplements thereof or thereto:

1. The Note executed by Mortgagor and 5636 BANQUETS, INC., d/b/a/ VENICE BANQUETS; 7572 RESTAURANT, INC., d/b/a BELDEN NORTH; BELDEN ON GOLF ROAD, INC., d/b/a/ BELDEN WEST; CPS, INC., d/b/a BELDEN SOUTH ("Borrowers");

2. The following security documents:

(a) this Mortgage;

(b) ~~an~~ Assignment of Lease and Rents of even date herewith, executed by Mortgagor and ~~(Beneficiary)~~ assigning to Mortgagee all of the Rents and Awards of all Leases and other agreements in connection with the Premises;

(c) ~~Mortgage and~~ a Security Agreement of even date herewith, executed by Mortgagor and Mortgagee, to certain personal property located on or used in connection with the Premises;

(d) ~~certain Uniform Commercial Code Financing Statements, executed by Mortgagor pertaining to the personal property described in the aforesaid Security Agreements;~~

(d) a Security Agreement of even date herewith executed by 5636 BANQUETS, INC., d/b/a VENICE BANQUETS; 7572 RESTAURANT, INC., d/b/a BELDEN NORTH; BELDEN ON GOLF ROAD, INC., d/b/a BELDEN WEST; and CPS, INC., d/b/a BELDEN SOUTH (Collectively the "Corporations") of personal property covering inventory, accounts receivables, equipment general intangibles and all other personal property owned by the corporations and the proceeds therein;

(e) certain Uniform Commercial Code Financing Statements, executed by the Corporations pertaining to the personal property described in the aforesaid Security Agreement.

(E) an Assignment of Beneficial Interest of even date herewith, executed by PETER MARKOS, SPYROS MARKOS, a/k/a/ SPIROS MARKOS, a/k/a/ SAM MARKOS, and CHRIST MARKOS ("Beneficiaries") assigning to Mortgagee all of Beneficiaries' right, title, and interest in, to, and under the Trust Agreement described in the first grammatical paragraph of this Mortgage;

(G) a Guaranty of Payment and Performance of even date herewith, executed by Guarantors having a financial interest in payment of the indebtedness hereby secured; and

3. That certain Loan Agreement of even date herewith, executed by Mortgagor, the Corporations, PETER MARKOS, SPYROS MARKOS, a/k/a/ SPIROS MARKOS, a/k/a/ SAM MARKOS, and CHRIST MARKOS.

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

Dorothy L. Dallmann
I, _____, a Notary Public in and for said County in the State aforesaid, do hereby certify that R. W. Kinzie, of LAKEVIEW TRUST AND SAVINGS BANK, personally known, BUT AS Trustee as aforesaid, and James E. Polites, Jr., of said Bank/Trustee, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, as such Sr. Vice President and Trust Officer, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary acts of said Bank/Trustee, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 16th day of Sept., 19 86

Dorothy L. Dallmann
NOTARY PUBLIC

My commission expires:

9/1/87

P.I.N. 0715100012
0715100013 & 0715100014
0715100019
03-29-430-039-0000

This document prepared by:

Marc J. Strauss
Strauss, Sulzer, Shopiro & Wilkins, Ltd.
Twenty North Clark Street, Suite 808
Chicago, Illinois 60602

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