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CONSTRUCTION MORTGAGE

PERSONAL PROPERTY, SECURITY AGREEMENT AND ASSIGNMENT OF LEASES AND RENTALS

THIS MORTGAGE, dated as of October 15, 1986, is granted by LASALLE NATIONAL BANK, not personally but as Trustee under a Trust Agreement dated March 1, 1984, and known as Trust No. 107701 (Mortgagor), having an office at 135 South LaSalle Street, Chicago, Illinois 60690, to THE FIRST NATIONAL BANK OF CHICAGO, a national banking association organized and existing under the laws of the United States of America, having an office at One First National Plaza, Chicago, Illinois 60670, as agent for the ratable benefit of The First National Bank of Chicago and Bank of Montreal, a Canadian chartered bank, having any office at 115 South LaSalle Street, Chicago, Illinois 60603 (together, Mortgagee).

W I T N E S S E T H :

A. Mortgagor is indebted to Mortgagee in the aggregate principal sum of Four Hundred Fifty-Four Million Dollars (\$454,000,000) (the Loan) or so much thereof as may be disbursed and outstanding from time to time pursuant to a construction loan agreement among Mortgagor, JMB/Urban 900 Development Partners, Ltd. (Beneficiary) and Mortgagee of even date herewith (said construction loan agreement and all modifications, renewals or extensions thereof, the Loan Agreement) plus interest in the amount as provided in and evidenced by two promissory notes, one from Mortgagor and Beneficiary to The First National Bank of Chicago and the other from Mortgagor and Beneficiary to Bank of Montreal, each of even date herewith in the amount of \$227,000,000 and payable in accordance with the terms thereof (said notes and all modifications, renewals or extensions thereof, the Note), which Note is incorporated herein by this reference.

B. The Loan Agreement provides that up to \$2,500,000 of the Loan may be used for standby letters of credit issued by each of Mortgagee from time to time upon the applications for standby letters of credit of Mortgagor and Beneficiary (the Applications), and the obligations of Mortgagor and Beneficiary to reimburse Mortgagee for all amounts paid by Mortgagee under such letters of credit are evidenced by the Note and by the Applications executed from time to time;

C. By lease dated February 28, 1984, Amalgamated Trust and Savings Bank, as Trustee under Trust Agreement dated June 1, 1972 and known as Trust No. 2316, as landlord, leased to Urban Investment and Development Co., as tenant, the real estate described in Exhibit A (Parcel Three) attached hereto which lease was assigned by such tenant to LaSalle National Bank, not individually, but as Trustee under Trust Agreement dated May 1, 1984 and known as Trust No. 107707 and was further assigned by said Trustee to Mortgagor (said lease and any amendments, modifications or substitutions thereof, the Ground Lease).

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NOW, THEREFORE, to secure (a) the payment of the indebtedness evidenced by the Note and the Applications together with interest thereon (the Indebtedness) and any fees in connection therewith, (b) the repayment of any advances or expenses of any kind incurred by Mortgagee pursuant to the provisions of or on account of the Note, the Applications, the Loan Agreement or this Mortgage, (c) the repayment of future advances, if any, disbursed by Mortgagee to Mortgagor or Beneficiary in accordance with the terms of this Mortgage or the Loan Agreement in excess of the principal of the Indebtedness, (d) the performance and observance of all of the terms, covenants, provisions and agreements of this Mortgage, the Loan Agreement, the Note, the Applications and all other documents now or hereafter executed in connection with the Indebtedness (collectively, the Loan Documents), all of the foregoing not to exceed the principal amount of \$600,000,000, Mortgagor and to the extent applicable to it, Beneficiary agree as follows:

ARTICLE I

GRANT

1.01 Mortgagor grants, bargains, sells, releases, conveys, assigns, transfers, mortgages and confirms unto the Mortgagee, and grants a security interest in the real estate and air rights described in Exhibit A attached hereto and made a part hereof (together, the real estate) and the following property, estates and interests (collectively with the real estate, the Property):

(a) All rents, issues, profits, royalties, income and other benefits derived from the real estate subject to the right, power and authority hereinafter given to Mortgagor to collect such rents;

(b) All estate, right, title and interest of Mortgagor in and to all leases or subleases covering the real estate or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Mortgagor thereunder, including, without limitation, all cash or security deposits, advance rentals, and deposits or payments of similar nature;

(c) All right, title and interest of Mortgagor in and to any greater estate in the real estate owned or hereafter acquired;

(d) All interests, estate or other claims in law and in equity which Mortgagor now has or may hereafter acquire in the real estate;

(e) All easements, rights-of-way, tenements, hereditaments, appurtenances and other rights and privileges thereof or in any way now or hereafter appertaining;

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(f) All right, title and interest of Mortgagor, including any after-acquired title or reversion, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the real estate, and any and all sidewalks, alleys and strips and gores or land adjacent to or used in connection with the real estate;

(g) All buildings and improvements now or hereafter erected thereon, including, but not limited to, the fixtures, attachments, appliances, equipment, machinery, and other articles attached to said buildings and improvements and owned by Mortgagor;

(h) All the estate, interest, right, title, other claim or demand, including claims or demands with respect to the proceeds of insurance, which Mortgagor now has or may hereinafter acquire in the real estate, and any and all awards made for the taking of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the real estate, including without limitation any awards resulting from a change of grade of streets and awards for severance damages, and

(i) All right, title and interest of Mortgagor in and to the Ground Lease (except the last day of the term or extended term if extended which hereby is specifically excluded from the terms hereof).

To have and hold the Property unto Mortgagee, and its successors and assigns forever, for the uses and purposes herein set forth.

ARTICLE II

REPRESENTATIONS

2.01 Mortgagor represents that it has good and marketable title to the Property, has good right and full power to sell and convey the same and has duly executed and delivered this Mortgage pursuant to proper directions. Mortgagor shall make any further assurances of title that the Mortgagee may require and will defend the Property against all claims and demands whatsoever.

2.02 Mortgagor represents that the proceeds of the loan are to acquire the Property and to construct improvements thereon and to obtain standby letters of credit as more fully described in the Loan Agreement.

2.03 Neither Mortgagor nor Beneficiary, nor, to the best of Mortgagor's or Beneficiary's knowledge, any previous owner of the Property or any third party has used, generated, stored or disposed of any hazardous waste, toxic substances or related materials (Hazardous Materials) on the Property. For the purposes of this representation and warranty, Hazardous Materials shall include, but shall not be limited to, substances defined as "hazardous substances" or "toxic substances" in the Comprehensive Environmental Response, Compensation

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and Liability Act of 1980, as amended, 42 U.S.C. Sec. 9601 et seq., Hazardous Materials Transportation Act, 49 U.S.C. Sec. 1802, The Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6901 et seq., and those substances defined as "hazardous waste" in Section 25117 of the California Health & Safety Code and the regulations adopted and publications promulgated pursuant to said laws. Subject to the provisions of Section 15.13 below, Mortgagor and Beneficiary shall indemnify and hold Mortgagee harmless from and against all liability, including all foreseeable and unforeseeable consequential damages, directly or indirectly arising out of the use, generation, storage or disposal of Hazardous Materials, including, without limitation, the cost of any required or necessary repair, clean-up or detoxification and the preparation of any closure or other required plans, whether such action is required or necessary prior to or following transfer of title to the Property, to the full extent that such action is attributable, directly or indirectly, to the use, generation, storage or disposal of Hazardous Materials on the Property.

ARTICLE III

COVENANTS

3.01 Mortgagor and Beneficiary shall pay the Indebtedness and the other sums secured hereby in the manner and at the times provided for in the Loan Documents.

3.02 Mortgagor shall pay, or cause to be paid, when due and payable all taxes, assessments, water charges, sewer charges, license fees and other charges against or in connection with the Property and shall, upon written request, promptly furnish to Mortgagee duplicate receipts. Mortgagor may, in good faith and with due diligence, contest the validity or amount of any such taxes or assessments, provided that Mortgagor has complied with the requirements for such contest contained in the Loan Agreement.

3.03 Mortgagor shall promptly comply, and cause all persons to comply, with (a) in all material respects, all restrictions affecting the Property and (b) all present and future laws, ordinances, rules, regulations and other requirements of all governmental authorities and courts having or claiming jurisdiction with respect to the Property or the use or occupation thereof.

3.04 Mortgagor shall keep, or cause to be kept, the Property in good order and condition, without waste, and shall make, or cause to be made, all necessary repairs and replacements to that end. All repairs and maintenance required of Mortgagor shall be (in the reasonable opinion of Mortgagee) of first-class quality.

3.05 Mortgagor covenants that this Mortgage is and will be maintained as a valid first mortgage lien on the Property. Mortgagor shall not create or permit to exist any lien, security interest,

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encumbrance or charge against the Property whether prior to or subordinate to the lien of this Mortgage. Mortgagor may, in good faith and with due diligence, contest any lien claim arising from any work performed, material furnished or obligations incurred by Mortgagor, if Mortgagor shall comply with the requirements for such contest contained in the Loan Agreement.

3.06 Mortgagor covenants that if any action or proceeding is commenced in which Mortgagee in good faith deems it necessary to defend or uphold the validity, enforceability or priority of the lien and interest of this Mortgage or to preserve the value of the security for this Mortgage, all sums paid by Mortgagee for the expense of any such litigation to prosecute or defend the rights, lien and security interest created by this Mortgage (including reasonable attorneys fees) shall be paid by Mortgagor, together with interest thereon at the Floating Rate (as that term is defined in the Loan Agreement) plus 3% per annum, and any such sums and the interest thereon shall be a lien and security interest on the Property prior to any right or title to, interest in or claim upon the Property attaching or accruing subsequent to the lien and security interest of this Mortgage, and shall be secured by this Mortgage.

3.07 Mortgagor covenants that Mortgagee, or its agents or representatives, may make such inspections of the Property as Mortgagee may deem necessary or desirable, at all reasonable times.

3.08 Mortgagor shall furnish from time to time within fifteen (15) days after Mortgagee's request, a written statement, duly acknowledged, of the amount due upon this Mortgage, whether any alleged offsets or defenses exist against the Indebtedness and whether any defaults exist under the Loan Documents.

3.09 Mortgagor covenants to furnish to Mortgagee such financial statements and other information regarding the financial condition of Mortgagor as required by the Loan Agreement and such detail regarding the Property and its operation as Mortgagee may reasonably require.

3.10 If, by the laws of the United States of America, or of any state having jurisdiction over Mortgagor, any stamp tax or similar tax is due or becomes due in respect of the issuance of the Note, or recording of this Mortgage, Mortgagor covenants to pay such tax in the manner required by any such law. Mortgagor further covenants to hold harmless and agrees to indemnify Mortgagee, its successors or assigns, against any liability incurred by reason of the imposition of any stamp tax or similar tax on the issuance of the Note, or recording of this Mortgage.

3.11 Mortgagor shall not make, or cause to be made, any improvements to the Property except in accordance with the Loan Agreement.

3.12 Except as otherwise provided in the Loan Agreement, Mortgagor shall not transfer, convey, alien, pledge, hypothecate or mortgage the Property or any part thereof or any interest therein,

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either voluntarily or involuntarily, or enter into a contract to do any of the foregoing. Beneficiary shall not make and Mortgagor shall not, and shall not be required to, accept, and shall not be bound by, any assignment of the beneficial interest in Mortgagor, absolute or collateral, to any party except Mortgagee.

3.13 Mortgagor shall pay all amounts due under the Ground Lease and shall perform and comply with all terms and conditions contained therein in a timely manner, so that no default occurs under the Ground Lease.

ARTICLE IV

CONDEMNATION AND INSURANCE

4.01 Mortgagor assigns to Mortgagee any proceeds or awards which may become due by reason of any condemnation or other taking for public use of the whole or any part of the Property. Mortgagee, at its option, is hereby authorized, directed and empowered to adjust or compromise the claim for any such award, to collect and receive the proceeds thereof and to give proper receipts and acquittances therefor. Subject to the provisions of Section 9.3 of the Loan Agreement, Mortgagee, at its option, may apply such award or any part thereof to the Indebtedness, to fulfill any of the covenants contained herein or to replace or restore the Property, or may release the same to the Mortgagor, after deducting any expenses of collection, or may, at its option, declare the Note to be due and payable in the event of any such condemnation or other taking.

4.02 Mortgagor shall maintain builder's risk insurance and shall keep all buildings and improvements now or hereafter situated on the real estate insured against loss or damage by fire, tornado, windstorm and extended coverage perils and other hazards, as required by Mortgagee hereunder or under the Loan Agreement, including, without limitation, flood insurance if the Property is located in a flood hazard area. Mortgagor shall also provide liability insurance with such limits for personal injury and death and property damage as Mortgagee may require naming Mortgagee as an additional insured party. All policies of insurance to be furnished hereunder shall be in forms, companies and amounts satisfactory to Mortgagee, with mortgagee clauses attached to all policies in favor of and in form satisfactory to Mortgagee and with standard waiver of subrogation endorsements, including a provision requiring that the coverage evidenced thereby shall not be terminated or modified without thirty (30) days prior written notice to Mortgagee. Mortgagor shall deliver all policies, including additional and renewal policies, together with evidence of payment of premiums thereon, to Mortgagee, and, in the case of insurance about to expire, shall deliver renewal policies not less than thirty (30) days prior to their respective dates of expiration. Mortgagor shall not permit any condition to exist which would wholly or partially invalidate any insurance thereon.

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4.03 The proceeds of any such insurance shall be applied as set forth in the Loan Agreement.

4.04 In the event of foreclosure sale, Mortgagee is hereby authorized, without the consent of Mortgagor, to assign any and all insurance policies to the purchaser at the sale, or to take such other steps as Mortgagee may deem advisable to cause the interest of such purchaser to be protected by any such insurance policies.

ARTICLE V

WAIVER OF REDEMPTION

5.01 Mortgagor waives any and all rights of redemption from sale under any order of foreclosure of this Mortgage on behalf of Mortgagor, the trust estate and all persons beneficially interested therein, and each and every person except judgment creditors of Mortgagor in its representative capacity and of the trust estate, acquiring any interest in or title to the Property subsequent to the date of this Mortgage. To the fullest extent permitted under applicable law, Mortgagor shall not, and will not, apply for or avail itself of any appraisal, valuation, stay, extension or exemption law, or so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the Property, and any estates comprising the Property, marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety.

ARTICLE VI

ASSIGNMENT OF RENTS AND LEASES

6.01 To further secure the Indebtedness and other sums secured hereby, Mortgagor and Beneficiary sell, assign and transfer to Mortgagee all the rents, issues and profits now or thereafter due under or by virtue of any lease, whether written or oral, or any letting of, or of any agreement for, the use or occupancy of the Property or any part thereof, which may have been heretofore or may be hereafter made or agreed to or which may be made or agreed to by Mortgagee under the powers herein granted, it being the intention hereby to establish an absolute transfer and assignment of all such leases and agreements, and all the avails thereunder, to Mortgagee. Mortgagor and Beneficiary hereby irrevocably appoint Mortgagee their true and lawful attorney in their name and stead (with or without taking possession of the Property as provided in Article X hereof) to rent, lease or let all or any portion of the Property to any party at

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such rental and upon such terms as Mortgagee shall, in its judgment, determine, and to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter, and all now due or that may hereafter become due under each and every of the leases and agreements, written or oral, or other tenancy existing, or which may hereafter exist on the Property, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as Mortgagee would have upon taking possession pursuant to the provision of Article X hereof. Notwithstanding the foregoing, Mortgagee shall have no right as attorney-in-fact to do any act which would create personal liability for any partner of Beneficiary or for the Mortgagor. Although it is the intention of the parties that the assignment contained in this Section shall be a present assignment, it is expressly understood and agreed, anything therein contained to the contrary notwithstanding, that Mortgagee shall not exercise any of the rights or powers conferred upon it by this Section until an event of default shall exist under this Mortgage, and Mortgagor shall retain such rights and powers until such time; provided that any rents, issues and profits collected and received by Mortgagor or Beneficiary after the occurrence of an event of default hereunder shall be deemed collected and received by Mortgagor or Beneficiary in trust for Mortgagee, and Mortgagor and Beneficiary shall account to Mortgagee for the full amount of such receipts.

6.02 With respect to the Major Leases (as that term is defined in the Loan Agreement), Mortgagor and Beneficiary shall not, without the prior written consent of Mortgagee, (a) accept any installments of rent for more than two months in advance or any security deposit for more than an amount equal to two months' rent, or (b) take any action or fail to take any action or exercise any right or option which would permit the tenant under any lease to cancel or terminate such lease, or (c) amend or modify any lease in a manner which would (i) decrease the rent payable per unit of time under the lease, (ii) decrease the payments to be made by the tenant under the lease for rent, taxes, insurance or other expenses, (iii) decrease the term of the lease, (iv) impose any additional obligations on the landlord under the lease, or (v) consent to a sublease or a substitution of tenants under the lease. Mortgagor and Beneficiary agree that hereafter they shall not assign any of the rents or profits of the Property.

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

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

6.05 Mortgagor and Beneficiary further agree to assign and transfer to Mortgagee all future leases upon all or any part of the Property and to execute and deliver, at the request of Mortgagee, all such further assurances and assignments in the Property as Mortgagee shall from time to time reasonably require.

ARTICLE VII

SECURITY AGREEMENT

7.01 Mortgagor and Beneficiary grant to Mortgagee, in addition to and not in substitution for, any interest granted hereinabove, an express security interest in, and mortgage to Mortgagee, all goods, types and items of property now or hereafter owned by Mortgagor and Beneficiary (or either of them) which are described in Section 7.02 (the collateral) whether now or hereafter erected on or placed in or upon the Property or any part thereof or whether now or hereafter stored upon the Property or at any other place, and all replacements thereof and accessions thereto and proceeds thereof to further secure the payment of the Indebtedness and all other sums due from Mortgagor or Beneficiary to Mortgagee, and the performance by Mortgagor and to the extent applicable, Beneficiary of all the covenants and agreements set forth herein. Mortgagor covenants and Beneficiary warrants that, except for the security interest granted hereby, Mortgagor and Beneficiary are the owners of the collateral free from any adverse lien, security interest or encumbrance, and Mortgagor covenants and Beneficiary warrants that Mortgagor and Beneficiary have made payment in full for all the collateral. Mortgagor and Beneficiary will upon request from Mortgagee deliver to Mortgagee such further security agreements, chattel mortgages, financing statements and evidence of ownership of such items as Mortgagee may request.

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7.02 The security interest granted to Mortgagee hereby shall cover the following types or items of property now or hereafter owned by Mortgagor and Beneficiary (or either of them) and used in connection with the Property, and located upon the real estate or stored at any other place: the Property and all machinery, apparatus, equipment, goods, systems, fixtures and property of every kind and nature whatsoever now or hereafter located in or upon or affixed to the real estate, or any part thereof, or stored at any other place and used or usable in connection with any present or future operation of the Property, and now owned or hereafter acquired by Mortgagor or by Beneficiary (or both of them), including, but without limitation of the generality of the foregoing, all heating, lighting, incinerating, refrigerating, ventilating, air-conditioning, air-cooling, lifting, fire-extinguishing, plumbing, cleaning, communications, and power, equipment, systems and apparatus; and all elevators, escalators, switchboards, engines, motors, tanks, pumps, screens, storm doors, storm windows, shades, blinds, awnings, floor coverings, ranges, stoves, refrigerators, washers, dryers, cabinets, furniture, partitions, conduits, ducts and compressors; and all stone, trusses, steel and other building materials; and all other items of personal property used in connection with the Property. In addition, Mortgagor and Beneficiary grant to Mortgagee an express security interest in all tenements, hereditaments, easements, appendages, licenses, privileges and appurtenances belonging or in any way appertaining to the Property, and all interests in property, rights and franchises or any part thereof together with all the reversions and remainders, and to the extent permitted by laws, all rents, tolls, issues and profits from the Property, and all the estate, right, title, interest and claims whatsoever, at law and in equity which Mortgagor and Beneficiary (or either of them) now have or may hereafter acquire with respect to the Property and the collateral.

7.03 Upon an event of default hereunder and acceleration of the Indebtedness pursuant to the provisions hereof, Mortgagee, at its discretion, may require Mortgagor and Beneficiary to assemble the collateral and make it available to Mortgagee at a place reasonably convenient to both parties to be designated by Mortgagee.

7.04 Mortgagee shall give Mortgagor and Beneficiary notice, by registered mail, postage prepaid, of the time and place of any public sale of any of the collateral or of the time after which any private sale or other intended disposition thereof is to be made by sending notice to Mortgagor and Beneficiary at least five days before the time of the sale or other disposition, which provisions for notice Mortgagor, Beneficiary and Mortgagee agree are reasonable; provided, however, that nothing herein shall preclude Mortgagee from proceeding as to both real estate and personal property in accordance with Mortgagee's rights and remedies in respect to the real estate as provided in Section 9-501(4) of Chapter 26 of the Illinois Revised Statutes.

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7.05 Mortgagor and Beneficiary shall reimburse Mortgagee for all costs, charges and fees which Mortgagor or Beneficiary are obligated to so reimburse as provided in the Loan Agreement and subject to the limitations contained in the Loan Agreement.

7.06 The collateral shall be considered for all purposes a part of the Property as described herein; all representations and covenants contained in this Mortgage made by Mortgagor and Beneficiary shall be deemed as having been made with reference to the collateral; all agreements, undertakings and obligations of Mortgagor and Beneficiary stated herein shall apply to the collateral, including without limitation, obligations regarding insurance, freedom from adverse lien or encumbrance, repair and maintenance; and all remedies of Mortgagee in the event of any default by Mortgagor or Beneficiary under the terms of this Mortgage or any other Loan Document shall be available to Mortgagee against the collateral.

7.07 This Mortgage constitutes a Security Agreement as that term is used in the Illinois Uniform Commercial Code, Chapter 26, Illinois Revised Statutes.

ARTICLE VIII

MORTGAGEE'S PERFORMANCE OF DEFAULTED ACTS; SUBROGATION

8.01 In case of an event of default herein, Mortgagee may, but need not, make any payment or perform any act herein or in any other Loan Document required of Mortgagor, in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior or junior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Property or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other moneys advanced by Mortgagee to protect the Property and the lien hereof, shall be so much additional indebtedness secured hereby, and shall become immediately due and payable without notice and with interest thereon at the Floating Rate plus 3% per annum. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor. Should the proceeds of the Note or any part thereof, or any amount paid out or advanced hereunder by Mortgagee, be used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any lien or encumbrance upon the Property or any part thereof on a parity with or prior or superior to the lien hereof, then as additional security hereunder, the Mortgagee shall be subrogated to any and all rights, equal or superior titles, liens and equities,

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owned or claimed by any owner or holder of said outstanding liens, charges and indebtedness, however remote, regardless of whether said liens, charges and indebtedness are acquired by assignment or have been released of record by the holder thereof upon payment.

8.02 Mortgagee in making any payment hereby authorized (a) relating to taxes and assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof, or (b) for the purchase, discharge, compromise or settlement of any other lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

ARTICLE IX

EFFECT OF CHANGE IN LAWS REGARDING TAXATION

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

ARTICLE X

DEFAULT

10.01 The entire Indebtedness shall become due, at the option of Mortgagee, if the following event of default shall occur:

(a) Any "Default" shall occur as defined in the Loan Agreement.

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Any cure or grace period provided herein shall run concurrently with any such period provided in the Loan Agreement.

10.02 If an event of default shall occur which is not cured within any applicable grace period provided for Mortgagee may, at its option, exercise any and all of the following remedies:

(a) Declare the unpaid portion of the Indebtedness to be immediately due and payable, without further notice or demand (each of which hereby is expressly waived by Mortgagor), whereupon the same shall become immediately due and payable.

(b) Enter upon the Property and take possession thereof and of all books, records and accounts relating thereto.

(c) Appoint a receiver for the Property, or any part thereof, and of the net income, rents, issues and profits thereof, without regard to the sufficiency of the Property covered by this Mortgage or any other security, and without the showing of insolvency on the part of Mortgagor or fraud or mismanagement, and without the necessity of filing any judicial or other proceeding for appointment of a receiver.

(d) Hold, lease, operate or otherwise use or permit the use of the Property, or any portion thereof, in such manner, for such time and upon such terms as Mortgagee may deem to be in its best interest (making such repairs, alterations, additions and improvements thereto, from time to time, as Mortgagee shall deem necessary or desirable) and collect and retain all earnings, rentals, profits or other amounts payable in connection therewith.

(e) Sell the Property, in whole or in part:

(i) under the judgment or decree of a court of competent jurisdiction, or

(ii) at public auction (if permitted by law) in such manner, at such time and upon such terms as Mortgagee may determine, or as provided by law, and/or sell any personal property, in whole or in part, at one or more public or private sales, in such manner, at such time or times, and upon such terms as Mortgagee may determine or as provided by law.

(f) Foreclose this Mortgage.

(g) Exercise any other remedy specifically granted under any of the Loan Documents or now or hereafter existing in equity, at law, by virtue of statute or otherwise.

10.03 In case Mortgagee shall have proceeded to enforce any right under the Note, this Mortgage or any other Loan Document and such

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proceedings shall have been discontinued, or, abandoned, for any reason, then in every such case Mortgagor and Mortgagee shall be restored to their former positions and the right, remedies and powers of Mortgagee shall continue as if no such proceedings had been taken.

10.04 In the event Mortgagee (a) grants an extension of time on any payments of the Indebtedness, (b) takes other or additional security for the payment thereof, or (c) waives or fails to exercise any right granted herein, said act or omission shall not release Mortgagor, subsequent purchasers of the Property covered by this Mortgage or any part thereof, or any guarantor of the Note.

ARTICLE XI

FORECLOSURE

11.01 In any suit in which Mortgagee forecloses the lien hereof, there shall be allowed and included as additional indebtedness in the decree of sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee, or any holder of the Note, for reasonable attorneys' fees, court costs, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs of procuring title insurance policies (which fees, charges and costs may be estimated as to items to be expended after entry of the decree), and all other expenses as Mortgagee or any holder of the Note may deem reasonably necessary to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Property. All expenditures and expenses of the nature in this Section mentioned shall become so much additional indebtedness secured hereby and shall be immediately due and payable with interest thereon at the Floating Rate plus 3% per annum when paid or incurred by Mortgagee or any holder of the Note. Notwithstanding the foregoing, Mortgagor will not be obligated to pay Mortgagee's attorneys fees in any litigation in which the court determines that Mortgagee has not prevailed in any its claims against Mortgagor.

11.02 Upon or at any time after the filing of a bill to foreclose this Mortgage, the court in which such bill is filed may appoint a receiver of the Property. Such appointment may be made either before or after 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 and other sums secured hereby and without regard to the then value of the Property, and Mortgagee may be placed in possession of the Property. The receiver shall have power to collect the rents, issues and profits of the Property during the pendency of such foreclosure suit, as well as during any further times when Mortgagee, its successors or assigns, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and other powers which may be necessary or are usual in such cases for the protection, possession,

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control, management and operation of the Property during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of the Indebtedness and other sums secured hereby, or in payment of any tax, special assessment or other lien which may be or become superior to the lien hereof or superior to a decree foreclosing this Mortgage, provided such application is made prior to foreclosure sale.

11.03 The proceeds of any sale of all or any portion of the Property and the earnings of any holding, leasing, operating or other use of the Property shall be applied by Mortgagee in accordance with the terms of the Loan Agreement.

ARTICLE XII

LOAN AGREEMENT

12.01 If any terms and provisions of the Loan Agreement are inconsistent with any of the terms of this Mortgage, the provisions of the Loan Agreement shall prevail.

ARTICLE XIII

ASSIGNMENT

13.01 Subject to the terms of the Loan Agreement, The First National Bank of Chicago may resign as agent for The First National Bank of Chicago and Bank of Montreal and assign all or any portion of its interest hereunder and its rights granted herein and in any other Loan Document as provided therein.

ARTICLE XIV

MORTGAGOR'S FURTHER REPRESENTATIONS AND COVENANTS WITH RESPECT TO GROUND LEASE

14.01 Mortgagor hereby represents and covenants that:

(a) To the best of Mortgagor's knowledge after diligent investigation, the Ground Lease is in full force and effect and unmodified and there is no default or event which with notice or lapse of time or both would be a default under the Ground Lease.

(b) It will not do or permit anything to be done, the doing of which, or refrain from doing anything, the omission of which will impair the security of this Mortgage or will be grounds for declaring a forfeiture of the Ground Lease.

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(c) It will not modify, extend or in any way alter the terms of the Ground Lease or cancel or surrender the Ground Lease or waive, execute, condone or in any way release or discharge the lessor thereunder or from the obligations, covenants, conditions and agreements by said lessor to be done and performed, except as may otherwise be permitted under the Loan Agreement.

(d) It will give Mortgagee prompt notice of any default under the Ground Lease.

ARTICLE XV

MISCELLANEOUS

15.01 Except as otherwise provided in Section 7.04, all notices given hereunder shall be in writing and shall be deemed given when personally delivered or when deposited in the United States mail, postage prepaid, or when transmitted by telegraph or telex, charges prepaid, addressed to Mortgagor or Mortgagee at the addresses set forth above or to such other addresses as Mortgagor or Mortgagee may from time to time designate to the other by written notice given as herein required.

15.02 This Mortgage shall be construed, interpreted and governed by the laws of the State of Illinois.

15.03 No offset or claim that Mortgagor now has or may have in the future against Mortgagee shall relieve Mortgagor from paying any amounts due under the Note or hereunder or from performing any other obligations contained in the Loan Documents.

15.04 The rights of Mortgagee arising under the provisions and covenants contained in this Mortgage, the Note and the other Loan Documents or any part thereof shall be separate, distinct and cumulative and none of them shall be in exclusion of the others. No act of Mortgagee shall be construed as an election to proceed under any one provision, anything herein or otherwise to the contrary notwithstanding.

15.05 A waiver in one or more instances of any of the terms, covenants, conditions or provisions hereof, or of the Note or any other Loan Documents, or any part thereof, shall apply to the particular instance or instances and at the particular time or times only, and no such waiver shall be deemed a continuing waiver but all of the terms, covenants, conditions and other provisions of this Mortgage and of the other Loan Documents shall survive and continue to remain in full force and effect. No waiver shall be asserted against Mortgagee unless in writing signed by Mortgagee.

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15.06 No change, amendment, modification, cancellation or discharge hereof, or any part hereof, shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns.

15.07 If one or more of the provisions of this Mortgage shall be invalid, illegal or unenforceable in any respect, such provision shall be deemed to be severed from this Mortgage and the validity, legality and enforceability of the remaining provisions contained herein, shall not in any way be affected or impaired thereby. Without limiting the generality of the foregoing, any provision herein, or in the Note to the contrary notwithstanding, Mortgagee shall in no event be entitled to receive or collect, nor shall or may amounts received hereunder be credited, so that Mortgagee shall be paid, as interest, a sum greater than the maximum amount permitted by law. If any construction of this Mortgage or the Note indicates a different right given to Mortgagee to ask for, demand or receive any larger sum, as interest, such as a mistake in calculation or in wording, which this clause shall override and control, and proper adjustment shall automatically be made accordingly.

15.08 If any action or proceeding shall be instituted to evict Mortgagor or recover possession of the Property or any part thereof, or for any other purpose affecting the Property or this Mortgage, or if any notice relating to a proceeding or a default is served on Mortgagor, Mortgagor will immediately, upon service thereof on or by Mortgagor, deliver to Mortgagee a true copy of each notice, petition, or other paper or pleading, however designated.

15.09 In the event a portion of the Property is released from the lien of this Mortgage by Mortgagee, or added to this Mortgage by Mortgagor, the "Property" as herein defined shall refer only to that portion from time to time subject to the lien of this Mortgage.

15.10 This Mortgage and all the provisions hereof shall be binding upon and inure to the benefit of the parties hereto, and except as herein otherwise specifically provided, their respective successors and assigns, subject at all times nevertheless to all agreements and restrictions herein contained with respect to the transfer of Mortgagor's interest in the Property.

15.11 This is a Construction Mortgage, as that term is defined in Section 9-313(1)(c) of the Illinois Uniform Commercial Code, Chapter 26, Illinois Revised Statutes.

15.12 This Mortgage is executed by LaSalle National Bank, not personally but as Trustee under Trust No. 107701 in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said Trustee hereby warrants that it possesses full power and authority to execute this Mortgage) and it is expressly understood and agreed that nothing contained herein or in the Note, or in any other Loan Document, shall be construed as creating any liability on the part of said Trustee personally to pay the Note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to

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perform any covenant, either express or implied, herein contained, all such liability, if any, being hereby expressly waived by Mortgagee, any legal owner or holder of the Note and every person now or hereafter claiming any right or security hereunder; and that so far as said Trustee personally is concerned, any legal holder of the Note and the owner or owners of any indebtedness accruing hereunder shall look solely to the Property hereby mortgaged or conveyed for the payment thereof, by the enforcement of the lien created in the manner herein and in the Note provided or by action to enforce the personal liability of the guarantors of the Note or as otherwise provided in any other Loan Document.

15.13 None of the partners in Beneficiary shall be personally liable for payment of the Note or performance of any obligations hereunder, or with respect to any other Loan Document, and recourse hereunder and under the Loan Documents or certificates evidencing, securing, or otherwise executed in connection with the Loan Documents (including, without limitation, with respect to any and all warranties contained herein), shall be limited to the assets of Beneficiary and said Trustee except in the event of fraud or willful misconduct, in which event Mortgagee's recourse against the partner or partners responsible for the fraud or willful misconduct will not be limited. In no event shall a negative capital account or any funding obligation of a partner in Beneficiary be deemed an asset of Beneficiary. The foregoing shall not impair the ability of Mortgagee to enforce any guaranty executed and delivered in connection with the Note.

IN WITNESS WHEREOF, Mortgagee has caused this Mortgage to be executed on the day and year first above written.

LaSalle National Bank, not personally but as Trustee as aforesaid

Attest:

[Signature]
Assistant Secretary

By: [Signature]
Its VICE PRESIDENT

Beneficiary joins in this Mortgage for the purpose of making the representations, warranties and indemnification contained in Section 2.03, the covenants contained in Sections 3.01 and 3.12 and the grants security interests, and agreements contained in Articles VI and VII hereof, subject to the limitations on liability contained in Section 15.13 hereof.

JMB/URBAN 900 DEVELOPMENT PARTNERS, LTD.

By: Realty Investors-II, Inc., its general partner

By: [Signature]
Title: Vice President

By: JMB Real Estate Holdings-II, Inc., its general partner

By: [Signature]
Title: President

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY, that the above named JOSEPH R. ... and ... of the LaSalle National Bank, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such ... and ... respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Bank, as Trustee as aforesaid, for the uses and purposes herein set forth; and the said ... and ... then and there acknowledged that said ... Secretary, as custodian of the corporate seal, did affix the corporate seal of said Bank to said instrument as said ... Secretary's own free and voluntary act and as the free and voluntary act of said Bank for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 12th day of November, 1986.

[Signature]
Notary Public

My Commission Expires: 7-6-89

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 12th day of November, 1986, by ... a ... of Realty Investors-II, Inc., on behalf of said corporation as a general partner of JWB/Urban 900 Development Partners, Ltd.

[Signature]
NOTARY PUBLIC

My Commission Expires: 7-6-89

[Handwritten signature]

SECRETARY

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STATE OF ILLINOIS))
) SS
COUNTY OF COOK)

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The foregoing instrument was acknowledged before me this 10th day of November, 1986, by John J. ..., a President of JMB Real Estate Holdings-II, Inc., on behalf of said corporation as a general partner of JMB/Urban 900 Development Partners, Ltd.

Notary Public
NOTARY PUBLIC

My Commission Expires: 7-6-89.

Real Estate Tax Identification Nos.

- Volume 496
- 17-03-212-004
- 17-03-212-003
- 17-03-212-001
- 17-03-212-002
- 17-03-211-006
- 17-03-211-007
- 17-03-211-005
- 17-03-211-003
- 17-03-211-004
- 17-03-211-019
- 17-03-211-002
- 17-03-211-001
- 17-03-211-009
- 17-03-211-016
- 17-03-211-017
- 17-03-211-015
- 17-03-210-008
- 17-03-210-007
- 17-03-210-001
- 17-03-210-004
- 17-03-210-003
- 17-03-210-002
- 17-03-210-014
- 17-03-210-013
- 17-03-210-011
- 17-03-210-012
- 17-03-210-006
- 17-03-210-009

Property Clerk's Office

E.B.O

ADDRESS OF PROPERTY:
900 N. MICHIGAN AVE
CHICAGO IL

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This instrument prepared by ~~and written to~~
JoAnn Shrier, Esq.
The First National Bank of Chicago
One First National Plaza, Suite 0801
Chicago, Illinois 60670

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EXHIBIT A 9 6 5 5 7 4 9
to

Construction Mortgage, Personal Property, Security Agreement and Assignment of Leases and Rentals dated October 15, 1986 between The First National Bank of Chicago, as agent, and LaSalle National Bank, not personally but as Trustee under a Trust Agreement dated March 1, 1984 and known as Trust No. 107701

PARCEL ONE: (The property owned in fee lying East of N. Ernst Court)

That part of Block 13, and the accretions thereto, in Canal Trustees' Subdivision of the South Fractional Quarter of Section 3, Township 39 North, Range 14, East of the Third Principal Meridian, lying West of the West line of North Michigan Avenue, South of the South line of East Walton Street, North of the North line of East Delaware Place, and East of the East line of North Ernst Court, except that part of said Block 13 lying South of the South line of Lot 5 in said Block 13 of Canal Trustees' Subdivision and West of a line which intersects the North line of East Delaware Place at a point 129 feet East of the East line of North Ernst Court, and which intersects the South line of Lot 5 in said Block 13 of Canal Trustees' Subdivision at a point 43.13 feet East of the Southwest corner of the East 1/2 of Lot 5 in said Block 13 of Canal Trustees' Subdivision and also except the West 1/2 of the South 1/2 of Lot 5 in said Block 13 of Canal Trustees' Subdivision, in Cook County, Illinois.

PARCEL TWO: (The property owned in fee lying West of N. Ernst Court)

That part of Block 13 in Canal Trustees' Subdivision of the South fractional quarter of Section 3, Township 39 North, Range 14, East of the Third Principal Meridian, lying East of the East line of Rush Street, West of the West line of North Ernst Court, North of the North line of East Delaware Place, and South of the South line of East Walton Street, except for the following described property: The Westerly 125 feet of Lots 7 and 12 (as measured along the North and South lines thereof) in the Subdivision of said Block 13 in Cook County, Illinois.

PARCEL THREE: (The leased property lying West of Ernst Court)

The Westerly 125 feet of Lots 7 and 12 (as measured along the North and South lines thereof) in the Subdivision of Block 13 in Canal Trustees' Subdivision of the South fractional quarter of Section 3, Township 39 North, Range 14, East of the Third Principal Meridian, Cook County, Illinois.

PARCEL FOUR: (Ernst Court Air Rights)

That part of North Ernst Court in Block 13 in Canal Trustees' Subdivision of the South fractional quarter of Section 3, Township 39 North, Range 14, East of the Third Principal Meridian, lying Northerly of a line perpendicular to the Easterly line of North Ernst Court at a point 158.63 feet Southerly of the intersection of said Easterly line with the South line of East Walton Street, and lying above a horizontal plane 44.42 feet above Chicago City Datum and below a horizontal plane 157.42 feet above Chicago City Datum, as vacated by an Ordinance recorded August 13, 1985 as Document 85,143,919, an Ordinance recorded July 18, 1986 as Document 86,303,472, and an Ordinance recorded September 12, 1986 as Document 86,412,482, in Cook County, Illinois.

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Property of Cook County Clerk's Office

COOK COUNTY RECORDER

BOOK # 06-554740

PAGE # 11/21/06 10:13:00

DEPT-01 RECORDING

031.00