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### MORTGAGE

\$35.00

THIS MORTGAGE made December 27, 1985. by and between HDA Motors, Inc., an Illinois corporation (the "Mortgagor"), and Edgewood Bank, an Illinois banking corporation (the "Mortgagee").

### WITNESSETH:

THAT, WHEREAS, Mortgagor has concurrently herewith executed and delivered a mortgage note bearing even date herewith (the "Note") in the principal sum of One Million Eight Hundred Thousand Dollars (\$1,800,000.00), made payable to Mortgagee, in and by which Note Mortgagor promises to pay the principal sum and interest thereon at the rate and in installments as provided in the Note. All of said principal and interest are made payable at such place as the holder or holders of the Note (the "Holders") may, from time to time, in writing appoint, and in absence of such appointment, then at the office of Mortgagee in Countryside, Illinois.

NOW, THEREFORE, Mortgager, in consideration of said debt and to secure the payment of both principal and interest thereof, in accordance with the terms and provisions of the Note and in accordance with the terms, provisions and limitations of this mortgage, and to secure the performance of the covenants and agreements herein and in the Note contained, to be performed by Mortgagor, does by those presents MORTGAGE, GRANT, REMISE, RELEASE, ALIEN and CONVEY unto Mortgages, its successors and assigns, the real estate described in Schedule A attached hereto and made a part hereof and all of its estate, right, title and interest therein, situate, lying and being in the City of Countryside, County of Cook, and State of Illinois which, with the property hereinafter described, is referred to 33 the "premises,"

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto pertaining or belonging, and all rents, issues and profits thereof for so long and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily), and all fixtures now or hereafter owned by Mortgagor and attached to or contained in and used in connection with the premises, including, but not limited to, all machinery, motors, elevators, cranes, fittings, radiators, awnings, shades, screens, and all plumbing, heating, lighting, ventilating, refrigerating, incinerating, air-conditioning, and sprinkler equipment and fixtures and appurtenances thereto, and all items

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of furniture, furnishings, equipment, and personal property owned by the Mortgagor used or useful in the operation of the said real estate, and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are or shall be attached to said building or buildings in any manner, it being mutually agreed, intended, and declared that all the aforesaid property owned by said Mortgagor and placed by it on the premises or used in connection with the operation or maintenance of the premises shall, so far as permitted by law, be deemed to form a part and parcel of the real estate and for the purpose of this Mortgage to be real estate, and covered by this Mortgage, and as to any of the property aforesaid which does not 20 form a part and parcel of the real estate or does not constitute a "fixture" (as such term is defined in the Uniform Commercial Code), this Mortgage is hereby deemed to be, as well, a Security Agreement under the Uniform Commercial Code for the purpose of creating hereby a security interest in such property, which Mortgagor hereby grants to the Mortgagee as Secured Party (as such term is defined in the Uniform Commercial Code), it being further understood and agreed that the provisions of this subparagraph shall not apply or attach to any trade fixtures or personal property of any tenant of the premises. All of the land, estate and property hereinabove described, real, personal and mixed, whether affixed or annexed or not (except where otherwise hereinabove specified) and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared to form a part and parcel of the real estate and to be appropriated to the use of the real estate, and shall for the purpose of this mortgage be deemed to be real estate and conveyed and mortgaged hereby.

TO HAVE AND TO HOLD the premises unto the sold Mortgagee, its successors and assigns, forever, for the purposes and uses herein set forth.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

Maintenance, Repair and Restoration of Improvements, Payment of Prior Liens, Etc.

1. Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the premises which may become damaged or be destroyed; (b) keep the premises in good condition and repair, without waste, and free of mechanics' liens or other liens or claims for lien not expressly subordinated to the lien hereof; (c) pay when due any indebtedness which may be secured by a lien or charge on the premises on a parity with or superior to the lien hereof and

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comply with all requirements of all loan documents evidencing or securing such indebtedness, and upon request, exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee; (d) complete within a reasonable time any building or buildings or any improvements now or at any time in the process of erection upon the premises; (e) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the premises and the use thereof; (f) make no material alterations in the premises except as required by law or municipal ordinance; (g) suffer or permit no change in the general nature of the occupancy of the premises, without Mortgagee's written consent; (h) initiate or acquiesce in no zoning variation or reclassification, without Mortgagee's prior written content; (i) pay each item of indebtedness secured by this mortgage when due according to the terms hereof or of the Note.

### Payment of Taxes

2. Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the premises when due, and shall, upon written request, furnish to Mortgagee duplicate receipts therefor. To prevent default hereunder Mortgagor shall pay in full under protest, in the manner provided by statute, any cax or assessment which Mortgagor may desire to contest.

### Tax Deposits

3. Mortgagor covenants and agrees to deposit upon request of Mortgagee at such place as Mortgagee may from time to time in writing appoint, and in the absence of such appointment, then at the office of Mortgagee on the first day of each month hereafter until the indebtedness secured by this mortgage is fully paid, a sum equal to one-twelfth of the last total annual taxes and assessments for the last ascertainable year (general and special) on said premises (unless said taxes are based upon assessments which exclude the improvements or any part thereof now constructed, or to be constructed, in which event the amount of such deposits shall be based upon Mortgagee's reasonable estimate as to the amount of taxes and assessments to be levied and assessed). Mortgagor, concurrently with the assignment of this mortgage, will also deposit with Mortgagee an amount, based upon the taxes and assessments so ascertainable or so estimated by Mortgagee, as the case may be, for taxes and assessments on said premises, on the accrual basis, for the period from January 1, succeeding the year for which all taxes and assessments have been paid, to and including the date of the first deposit in this Section hereinabove montioned. Such deposits are to be

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held without any allowance of interest and are to be used for the payment of taxes and assessments (general and special) on the premises next due and payable when they become due. If the funds so deposited are insufficient to pay any such taxes or assessments (general and special) for any year when the same shall become due and payable, Mortgagor shall within ten (10) days after receipt of demand therefor, deposit such additional funds as may be necessary to pay such taxes and assessments (general and special) in full. If the funds so deposited exceed the amount required to pay such taxes and assessments (general and special) for any year, the excess shall be applied on a subsequent deposit or deposits.

#### Insurance

- 4. Mortgagor shall procure and maintain the following insurance coverage with respect to the premises:
- (a) All buildings and improvements now or hereafter situated on the premises insured against loss or damage by fire, tornado, windstorm and extended coverage perils and such other hazards as may reasonably be required by Mortgagee (including, without limitation on the generality of the foregoing, war damage insurance in the opinion of Mortgagee such protection is necessary and is available from an agency of the United States of America) in an amount which is the greater of the principal amount of the loan secured hereby or ninety percent (90%) of the replacement value of the buildings and improvements constituting the premises or, in such greater amount as may become necessary to prevent the application of any provision in such insurance policy relating to coinsurance;
- (b) Liability insurance with such limits for personal injury and death and property damage as Mortgage may require;
- (c) Flood insurance in an amount satisfactory to Mortgagee if the premises should ever be included in a special flood hazard area as designated by the Federal Insurance Administration; and
- (d) Loss of rental insurance in an amount equal to the full value of twelve (12) months' rent under leases in effect, from time to time, for the lease of any space in the premises.
- 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, including a provision requiring that the coverage evidenced thereby shall not be terminated or materially modified without ten (10) days:

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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.

### Mortgagee's Interest in and Use of Deposits

5. In the event of a default in any of the provisions contained in this mortgage or in the Note, Mortgagee may at its option, without being required to do so, apply any moneys at the time on apposit pursuant to any provision of this mortgage, as any one or more of the same may be applicable, on any of Mortgagor's chligations herein or in the Note contained, in such order and manner as Mortgagee may elect. When the indebtedness secured hereby has been fully paid, any remaining deposits shall be paid to Mortgager or to the then owner or owners of the premises. Such deposits are hereby pledged as additional security for the indebtadness hereunder and shall be held to be irrevocably applied by the depositary for the purposes for which made hereunder and shall not be subject to the direction or control of Mortgagor; provided, however, that neither Mortgagee nor said depositary shall be liable for any failure to apply to the payment of taxes and assessments or insurance premiums any amount so deposited unless Mortgager, while not in default hereunder, shall have requested said depositary in writing to make application of such funds to the payment of the particular taxes or assessments or the payment of the particular insurance premiums as the case may be for payment of which they were deposited, accompanied by the bills for such taxes and assessments or insurance premiums.

### Adjustment of Losses with Insurer and Application of Proceeds of Insurance

6. In case of loss, Mortgagee (or after entry of docree of foreclosure, purchaser at the sale, or the decree credicor, as the case may be) is hereby authorized either (a) to settle and adjust any claim under such insurance policies without consent of Mortgagor, or (b) to allow Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss. In either case Mortgagee is authorized to collect and receipt for any such insurance money. Such insurance proceeds may, at the option of Mortgagee, either be applied in payment or reduction of the indebtedness secured hereby, whether due or not, or be held by Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoration of buildings or improvements on said premises. The buildings and improvements shall be so restored or rebuilt as to be of at least equal value

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and substantially the same character as prior to such damage or destruction. In the event Mortgagor is entitled to reimbursement out of insurance proceeds, such proceeds shall be made available, from time to time, upon Mortgagee's being furnished with satisfactory evidence of the estimated cost of completion thereof and with such architect's certificates, waivers of lien, contractors' sworn statements and other evidence of cost and of payments as Mortgagee may reasonably require and approve. If the estimated cost of the work exceeds ten percent (10%) of the original principal amount of the indebtedness secured hereby, Mortgagee shall also be furnished with all plans and specifications for such rebuilding or restoration as the Mortgagee may reasonably require and approve. No payment made prior to the final completion of the work shall exceed ninety percent (90%) of the value of the work performed, arom time to time, and at all times the undisbursed balance of sald proceeds remaining in the hands of Mortgagee shall be at least sufficient to pay for the cost of completion of the work free and clear of liens,

In case of loss after foreclosure proceedings have been instituted, the proceeds of any such insurance policy or policies, if not applied as aforesaid in rebuilding or restoring the buildings or improvements, shall be applied in payment or reduction of the indebtedness secured hereby or in payment or reduction of 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 to the owner of the equity of redemption if it shall then be entitied to the same or as the court may direct. In case of the forestpaure of this mortgage, the court in its decree may provide that the mortgagee's clause attached to each of said insurance policies may be cancelled and that the decree creditor may cause a new loss clause to be attached to each of said policies making the loss thereunder payable to said decree creditor; and any such foreclosure decree may further provide that in case of one or more refumptions under said decree, pursuant to the statute in such case made and provided, then and in every such case, each successive redemptor may cause the preceding loss clause attached to each insurance policy to be cancelled and a new loss clause to be attached thereto, making the loss thereunder payable to such redemp to:. 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 of the said insurance policies.

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### Stamp Tax

7. If, by the laws of the United States of America, or of any state having jurisdiction over Mortgagor, any tax is due or becomes due in respect of the issuance of the Note, or recording of this mortgage, Mortgagor covenants and agrees 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 tax on the issuance of the Note, or recording of this mortgage.

### Prepayment

- 8. At such time as Mortgagor is not in default either under the terms of the Note or under the terms of this mortgage, the Mortgagor shall cave the privilege of making prepayments on the principal of the Acte (in addition to the required payments) in accordance with the terms and conditions set forth in the Note. Effect of Extensions of Time
- 9. If the payment of said indebtedness or any part thereof be extended or varied or if any part of the security be released, all persons now or it any time hereafter liable thereon, or interested in the premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such persons being expressly reserved by Mortgagee, notwithstanding such extension, variation or release.

### Effect of Changes in Laws Regarding Taxation

10. In the event of the enactment after this date of any law of the state in which the premises are located deducting from the value of 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 lient herein required to be paid by Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the mortgagee's interest in the property, or the manner of collection of taxes, so as to affect this mortgage or the debt secured hereby or the Holders, 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 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

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Mortgagor, to declare all of the indebtedness secured hereby to be and become due and payable sixty (60) days from the giving of such notice.

### Mortgagee's Performance of Defaulted Acts, Subrogation

11. In case of default therein, Mortgagee may, but need not, make any payment or perform any act herein or in any loan documents evidencing or securing the indebtedness secured hereby or any indebtedness secured by a prior encumbrance, 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 lien or title or claim the cof, or redeem from any tax sale or forfeiture affecting the gremises 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 premises er 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 post maturity rate. Inaction of Mortgagee shall never be considered as a walver 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 premises 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, owned or claimed or 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.

### Mortgagee's Reliance on Tax Bills, Etc.

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

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### Acceleration of Indebtedness in Case of Default

If (a) default be made for ten (10) days in the due and punctual payment of the Note, or any installment due in accordance with the terms thereof, either of principal or interest; or (b) Mortgagor or any affiliated Person shall file a petition in voluntary bankruptcy or under any provision of the Federal Bankruptcy Code or any similar law, state or federal, whether now or hereafter existing, or an answer admitting insolvency or inability to pay its debts, or fail to obtain a vacation or stay of involuntary proceedings within ten (10) days, as hereinafter provided; or (c) Mortgagor or any affiliated Person shall be adjudicated a bankrupt, or a trustee or a receiver shall be appointed for Mortgagor or any Affiliated Person or for all of its property or the major part thereof in any involuntary proceeding for the reorganization, dissolution, liquidation or winding up of Mortgagor or any Affiliated Person, and such trustee of receiver shall not be discharged or such jurisdiction relimquished or vacated or stayed on appeal or otherwise stayed with ten (10) days; or (d) Mortgagor or any Affiliated Person shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or trustee or liquidator of all of its property or the major part the eof; or (e) Mortgagee shall have the right to declare the indebtedness secured hereby due and payable pursuant to paragraph 36 horsof; or (f) default shall be made in the due observance or performance of any other of the covenants, agreements or conditions necoinbefore or hereinafter contained, required to be kept or performed or observed by Mortgagor or any Affiliated Person and the same shall continue for ten (10) days, then and in every such case the whole of said principal sum hereby secured shall, at once, at the option of Mortgagee, become immediately due and payable, cogether with accrued interest thereon, without notice to Mortgagor.

### Foreclosure; Expense of Litigation

14. When the indebtedness hereby secured, or any part thereof, shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereoffor such indebtedness or part thereof. It is further agreed that if default be made in the payment of any part of the secured indebtedness as an alternative to the right of foreclosure for the full secured indebtedness after acceleration thereof, Mortgagee shall have the right to institute partial foreclosure proceedings with respect to the portion of said indebtedness so in default, as if under a full foreclosure, and without declaring the entire secured indebtedness due (such proceeding being hereinafter referred to as a "partial foreclosure"), and

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provided that if foreclosure sale is made because of default of a part of the secured indebtedness, such sale may be made subject to the continuing lien of this mortgage for the unmatured part of the secured indebtedness; and it is agreed that such sale pursuant to a partial foreclosure, if so made, shall not in any manner affect the unmatured part of the secured indebtedness, but as to such unmatured part of this mortgage and the lien thereof shall remain in full force and effect just as though no foreclosure sale had been made under the provisions of this Section. Notwithstanding the filing of any partial foreclosure or entry of a decree of sale therein, Mortgagee may elect at any time prior to a foreclosure sale pursuant to such decree, to discontinue such partial foreclosure and to accelerate the secured indebtedness by reason of any uncured default or defaults upon which such partial foreclosure was predicated or by reason of any other defaults, and proceed with full foreclosure proceedings. It is further agreed that several foreclosure sales may be made pursuant to partial foreclosures without exhausting the right of full or partial foreclosure sale for any unmatured part of the secured indebtedness, it being the purpose to provide for a partial foreclosure sale of the secured indebtedness for any matured portion of the secured indebtedness without exhausting the pover to foreclose and to sell the premises pursuant to any such partial foreclosure for any other part of the secured indebtedness whether matured at the time or subsequently maturing, and without exhausting any right of acceleration and full foreclosure

In any suit to foreclose the lien hereof (including any partial foreclosure) or to enforce any other remedy of Mortgagee under this mortgage or the Note, there shall be allowed and included as additional indebtedness in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred by or on behalf of Mortgages for reasonable attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title and value as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises. All expenditures and expenses of the nature in this Section mentioned, and such expenses and fees as may be incurred in the protection of the premises and the maintenance of the lien of this mortgage, including the fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this mortgage, the Note or the premises, including probate and

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bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the post maturity rate and shall be secured by this mortgage.

### Application of Proceeds of Foreclosure Sale

15. The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding Section hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note; fourth, any overplus to Mortgagor, its successors or assigns, as their rights may appear.

### Appointment of Receiver

16. Upon, or at any time after the filing of a complaint to foreclose this mortgage, the court in which such complaint is filed may appoint a receiver of the premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the premises or whether the same shall be then occupied as a homestead or not and Mortgagee naraunder or any Holders may be appointed as such receiver. Such receiver shall have power: (a) to collect the rents, issues and profits of the premises during the pendency of such foreclosure sult and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits; (b) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the issuance of a deed or deeds b a purchaser or purchasers at a foreclosure sale, 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 foreclosure sale, notwithstanding any redemption from sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; and (c) all other

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powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the indebtedness secured hereby, or by any decree foreclosing this mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; and (b) the deficiency in case of a sale and deficiency.

### Assignment of Rents and Leases

17. To further secure the indebtedness secured hereby, Mortgagor bereby sells, assigns and transfers unto Mortgagee all the rents, Assues and profits now due and which may hereafter become due under or by virtue of any lease, whether written or verbal, or any letting of, or of any agreement for the use or occupancy of the premises 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 hereby irrevocably appoints Mortgages its true and lawful attorney in its name and stead (with or without taking possession of the premises as provided in Section 19 hereof) to rent, lease or let all or any portion of the premises to any party or parties at such rental and upon such terms as sold Mortgagee shall, in its discretion, 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 verbal, or other tenancy existing, or which may hereafter exist on the premises, with the same rights and powers and subject to the same immunities, exoneration of liability and nights of recourse and indemnity as Mortgagee would have upon taking possession pursuant to the provisions of Section 19 hereof.

Mortgagor represents and agrees that no rent has been or will be paid by any person in possession of any portion of the premises for more than one installment in advance and that the payment of none of the rents to accrue for any portion of the said premises has been or will be waived, released, reduced, discounted or otherwise discharged or compromised by Mortgagor. Mortgagor waives any rights of setoff against any person in possession of any portion of the premises. Mortgagor agrees that it will not assign any of the rents or profits of the premises, except to a purchaser or grantee of the premises.

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Nothing herein contained shall be construed as constituting Mortgagee a mortgagee in possession in the absence of the taking of actual possession of the premises by Mortgagee pursuant to Section 19 hereof. In the exercise of the powers herein granted Mortgagee, all such liability being expressly waived and released by Mortgagor.

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

Although it is the intention of the parties that the assignment contained in this Section 17 shall be a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that Mortgagee shall not exercise any of the rights or powers conferred upon it by this Section uncil a default shall exist under this mortgage or the Note.

#### Lease Assignment

18. To further secure the indebtedness described in and secured hereby, Mortgagor has sold, assigned and transferred unto Mortgagee, its successors and assigns, any interest of Mortgagor as lessor in any lease or leases now or hereafter existing with respect to the premises. Mortgagor expressly covenants and agrees that if the lessee or any of the lessees under said lease or leases so assigned or Mortgagor, as lessor therein, shall fail to perform and fulfill any term, covenant, condition or provision in said lease or leases or any of them, on its or their part to be performed or fulfilled, at the times and in the manner in said lease or leases provided, or if Mortgagor shall suffer or permit to occur any breach or default under the provisions of the assignment of leases of the premises and such default shall continue for ten (10) days, then and in any such event, such breach or default shall constitute to default hereunder and at the option of Mortgagee, and without notice to Mortgagor, all unpaid indebtedness secured by this mortgage shall, notwithstanding anything in the Note or in this mortgage to the contrary, become due and payable as in the case of other defaults.

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square feet in the premises. Any amendment, modification or termination of such lease, prior to the expiration of the term specified therein without the prior written consent of Mortgagee, shall constitute a default under this mortgage. In the event of such a default, at the option of Mortgagee and without notice to Mortgagor, all unpaid indebtedness secured hereby shall notwithstanding anything in the Note or in this mortgage to the contrary, become due and payable as in the case of other defaults.

### Mortgagee's Right of Possession in Case of Default

19. In any case in which under the provisions of this mortgage Wortgagee has a right to institute foreclosure proceedings, whether before or after the whole principal sum secured hereby is declared to be immediately due as aforesaid, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, forthwith, upon demand of Mortgagee, Mortgagor shall surrender to Mortgagee and Mortgagee shall be entitled to take actual possession of the premises or any part thereof personally, or by its agent or attorneys, as for condition broken. In such event Mortgagee in its discretion may, with or without force and with or without process of law, encer upon and take and maintain possession of all or any part of said premises, together with all documents, books, records, papers and accounts of Mortgagor or then owner of the premises relating thereto, and may exclude Mortgagor, its agents or servants, vnolly therefrom and may as attorney-in-fact or agent of Mortgagor, or in its own name as Mortgagee and under the powers herein granted, hold, operate, manage and control the premises and conduct the business, if any, thereof, either personally or by its (gents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, and with full power: (a) to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same; (b) to elect to disaffirm any lease or sublease which is then subordinate to the lien hereof; (c) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding

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upon Mortgagor and all persons whose interests in the premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption for sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; (d) to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the premises as to it may seem judicious; (e) to insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof; and (f) to receive all of such avails, rents, issues and profits; hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without notice to Mortgagor.

Mortgages shall not be obligated to perform or discharge, nor dous it hereby undertake to perform or discharge, any obligation, ducy or liability under any leases. Mortgagor shall and does hereby agree to indemnify and hold Mortgagee harmless of and from any and all liability, loss or damage which it may or might incur under said leases 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 any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said leases. Should Mortgagee incur any such liability, loss or damage, under said 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 shall reimburse Mortgagee therefor immediately upon demand.

### Application of Income Received by Mortgagee

- 20. Mortgagee, in the exercise of the rights and powers hereinabove conferred upon it by Section 17 and Section 19 hereof shall have full power to use and apply the available rents, issues and profits of the premises to the payment of or on account of the following, in such order as Mortgagee may determine.
- (a) to the payment of the operating expenses of said property, including cost of management and leasing thereof (which shall include reasonable compensation to Mortgagee and its agent or agents, if management be delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases), established claims for damages, if any, and premiums on insurance hereinabove authorized;

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- (b) To the payment of taxes and special assessments now due or which may hereafter become due on the premises;
- (c) To the payment of all repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements of the premises, and of placing the premises in such condition as will, in the judgment of Mortgagee, make it readily rentable;
- (d) To the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale.

### Mortgace's Right of Inspection

21. Nortgagee shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.

#### Condemnation

22. Mortgagor hereby assigns, transfers and sets over unto Mortgagee the entire proceeds of any award or any claim for damages for any of the premises taken or damages under the power of eminent domain or by condemnation. Mortgagee may elect to apply the proceeds of the award upon or in reduction of the indebtedness secured hereby, whicher due or not, or to require Mortgagor to restore or rebuild, in which event the proceeds shall be held by Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoring of buildings or improvements on said premises, in accordance with plans and specifications to be submitted to and approved by Mortgagee. the event Mortgagor is authorized by Mortgagee's election as aforesaid to build or restore, the proceeds of the award shall be paid out in the same manner as is provided in Section 6 hereof for the payment of insurance proceeds toward the cost of rebuilding or restoration. If the amount of such award is insufficient to cover the cost of rebuilding or restoration, Mortgagor shall pay such cost in excess of the award, before being entitled to reimbursement out of the award. Any susplus which may remain out of said award after payment of such cost of rebuilding or restoration shall, at the option of Mortgages, be applied on account of the indebtedness secured hereby or be paid to any other party entitled thereto. In applying the proceeds of any award on account of the indebtedness secured hereby, Mortgagee shall be entitled to collect, out of the proceeds of the award, a premium on the amount prepaid, at the same rate as though Mortgagor had elected at the time of such application of proceeds (or if Mortgagor then has no such election, as the first succeeding date on which Mortgagor could so elect) to prepay the indebtedness in accordance with the terms of the Note.

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### Release Upon Payment and Discharge of Mortgagor's Obligations

23. If Mortgagor shall fully pay all principal and interest on the Note, and all other indebtedness secured hereby and comply with all of the other terms and provisions hereof to be performed and complied with by Mortgagor, then this mortgage shall be null and void. Mortgagee shall release this mortgage and the lien thereof by proper instrument upon payment and discharge of all indebtedness secured hereby and payment of a reasonable fee to Mortgagee for the execution of such release.

### Giving of Notice

24. Any notice which either party hereto may desire or be required to give to the other party shall be in writing and the delivery thereof to the individual to whom addressed or the mailing thereof by certified mail addressed to:

#### MORTGAGOR

c/o HDA Motors, Inc. 5750 S. LaGrance Road Countryside, Illinois 60525

#### MORTGAGEE

Edgewood Bank 1023 W. 55th Street Countryside, Illinois 60525

or at such other place as either party here to may by notice in writing designate as a place for service of notice shall constitute service of notice hereunder.

### Waiver of Defense; Remedies Not Exclusive

25. No action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the Note. Mortgagee shall be entitled to enforce payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this mortgage or other agreement or any laws now or hereafter in force, notwithstanding some or all of the said indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this mortgage nor its enforcement whether by court action or other powers herein contained, shall prejudice or in any manner affect

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Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this mortgage and any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given hereby to Mortgagee or to which it may be otherwise entitled, may be exercised, concurrently or independently, from time to time, and as often as it may be deemed expedient by Mortgagee and Mortgagee may pursue inconsistent remedies. No waiver of any default of the Mortgager hereunder shall be implied from any omission by the Mortgagee or Holders to take any action on account of such default if such default persists or be repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated.

### Waiver of Statutory Pights

26. Mortgagor shall not and will not apply for or avail itself of any appraisement, valuation, stay, extension or exemption laws, or any so-colled "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 estates comprising the premises marshaled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the premises sold as an entirety. Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of this mortgage on behalf of the Mortgagor, the trust estate, and all persons beneficially interested therein, and each and every person except decree or judgment creditors of Mortgagor in its representative capacity and of the trust estate, acquiring any interest in or title to the premises subsequent to the date of this mortgage.

#### Post Maturity Rate

28. "Post maturity rate" as used herein shall mean interest at Three per cent (3%) in excess of Mortgagee's prime rate which interest rate shall change simultaneously with each change in Mortgagee's prime rate.

### Binding on Successors and Assigns

29. This mortgage and all provisions hereof, shall be binding upon Mortgagor and all persons claiming under or through

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Mortgagor, and shall inure to the benefit of the Holders from time to time and of the successors and assigns of the Mortgagee.

Definitions of "Mortgagor," "Mortgagee" and "Affiliated Persons"

30. The word "Mortgagor" when used herein shall include:
(a) the original Mortgagor named in the preambles hereof; (b)
said original Mortgagor's successors and assigns; and (c) all
owners from time to time of the premises. The words "Affiliated
Persons" when used herein shall mean any and all of: (a)
guarantor of any of the obligations of Mortgagor under the Note,
this mortgage, or any Loan Agreement; (b) if Mortgagor is a
trustee, baneficiaries of the trust, including the general
partners of any general or limited partnership which is a
beneficiary of the trust. The words "Holders" and "Mortgagee"
when used herein shall include all successors and assigns of the
original Holders and Mortgagee identified in the preambles
hereof.

#### Captions

31. The captions and headings of various paragraphs of this mortgage are for convenience only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

### Disbursement of Loan Proceeds for Construction of Improvements

- 32. This is a construction mortgage, as said term is defined in Section 9-313(1)(c) of the Uniform Commercial Code. The proceeds of this loan shall be used first to repay in full the existing indebtedness to Chicago Title & Trust Company evidenced by a \$1,000,000.00 note dated January, 1985, and the balance shall be used for the construction of a building. Mortgagor further covenants and agrees that the loan secured hereby is a construction loan and that:
- (a) The improvements to be erected on the premises shall be completed in accordance with the plans and specifications deposited with Mortgagee.
- (b) There shall no be stoppage of construction for a period longer than thirty (30) days, except for matters beyond the reasonable control of Mortgagor.
- (c) In any event, said construction shall be completed not later than June 1, 1986.

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- (d) Mortgagor shall provide owners and contractors sworn statements, as well as partial and final lien waivers prior to a request for advances of funds secured by this Mortgage.
- (e) Mortgagee and Mortgagor shall enter into a construction loan escrow agreement with a title company acceptable to Mortgagee.
- (f) Mortgagor shall deliver to Mortgagee executed copies of all construction contracts between the Borrower and all contractors and, if required by the Bank, executed copies of all subcentracts between the general contractor or contractors and all of the subcontractors and suppliers, including contracts, subcontractors and purchase orders for all fixtures to be instailed as are required for the operation of the project and an agreement in form and substance acceptable to the Mortgagee from the general contractor or contractors and architect, if requested by the Mortgagee to continue performance on behalf of the Mortgagee in the event of the default by the Mortgagor hereunder.
- (g) Upon default in any of the covenants in (a) through (f), inclusive, the Mortgagee may (but need not):
  - (i) Declare the entire principal indebtedness and interest thereon due and payable;
  - (ii) Complete the construction, alteration or remodeling of said improvement and enter into the necessary contracts therefrom. All moneys so expended, whether or not the resulting indettedness secured hereby may exceed the face amount of the Note, shall be so much additional indebtedness secured by this mortgage, and any moneys expended in excess of the mortgage note shall be payable on demand, with interest at the post maturity rate.

Mortgagee may exercise either or both of the above-described remedies.

- (h) The construction of said improvements is and will be in compliance with all governmental regulations and restrictions and with all zoning and building laws and ordinances of the municipality in which the premises are located and with all building restrictions of record, and Mortgagor will furnish satisfactory evidence of Mortgagee of such compliance.
- (i) The proceeds of the loan secured hereby are to be disbursed by Mortgagee to Mortgagor in accordance with the

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provisions contained in one or more of: (i) the application for loan; (ii) the commitment for loan; and (iii) a certain Construction Loan Agreement or Building Loan Agreement. application, commitment and Construction Loan Agreement or Building Loan Agreement, or such of the same as may have been executed, are hereinafter collectively referred to as "Loan Agreement," and are incorporated herein by express reference. All advances and indebtedness arising and accruing under the Loan Agreement from time to time, whether or not the resulting indebtedness secured hereby may exceed the face amount of the Note shall be secured hereby to the same extent as though said Loan Agreement were fully incorporated in this mortgage, and the occurrence of any event of default under this mortgage entitling Mortgagee to all of the rights and remedies conferred upon Mortgagee by the terms of this mortgage (including those set forth in subparagraph (d) of this Section 32) or by law, as in the case of any other default.

It is understood and agreed that with respect to subsequent purchasers and mortgages without actual notice, none of the indebtedness for monies expended for completion of the construction of improvements as hereinabove in this Section 32 recited, nor any advances 0, indebtedness arising or accruing under the Loan Agreement, shall result in an increase of the indebtedness secured and to be secured hereby over the face amount of the Note.

Execution of Separate Security Agreement, Financing Statements, etc.

33. Mortgagor, upon request by Mortgagen from time to time, shall execute, acknowledge and deliver to fortgagee, or cause any Affiliated Person to so execute, acknowledge and deliver to Mortgagee, a Security Agreement, Financing Statement or other similar security instruments, in form satisfactor, to Mortgagee, covering all property of any kind whatsoever owned by Mortgagor or such Affiliated Person, as the case may be, which in the sole opinion of Mortgagee is essential to the operation of the premises and which constitutes goods within the meaning of the Uniform Commercial Code or concerning which there may be eny doubt whether the title to same has been conveyed by or security interest perfected by this Mortgage under the laws of the state in which the premises are located, and will further execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any financing statement, affidavit, continuation statement or certificate or other documents as Mortgagee may request in order to perfect, preserve, maintain, continue and extend the security interest under and the priority of this mortgage and such security instrument. Mortgagor further agrees to pay to Mortgagee on demand all costs and expenses incurred by

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Mortgagee in connection with the preparation, execution, recording, filing and refiling of any such document.

Partial Invalidity, Maximum Allowable Rate of Interest

34. Mortgagor and Mortgagee intend and believe that each provision in this mortgage and the Note comports with all applicable local, state and federal laws and judicial However, if any provision or provisions, or if any portion of any provision or provisions, in this mortgage or the Note is found by a court of law to be in violation of any applicable local, state or federal ordinance, statute, law, administracive or judicial decision, or public policy, and if such court exculd declare such portion, provision or provisions of this mortgage and the Note to be illegal, invalid, unlawful, void or unenforceable as written, then it is the intent both of Mortgagor and Mortgagee that such portion, provision, or provisions shall be given force to the fullest possible extent that they are legal, valid and enforceable, that the remainder of this mortgage and the Note shall be construed as if such illegal, invalid unlawful, void or unenforceable portion, provision or provisions were not contained therein, and that the rights, obligations and interest of Mortgagor and Mortgagee under the remainder of this mortgage and the Note shall continue in full force and effect. All agreements herein and in the Note are expressly limited so that in no contingency or event whatsoever, whether by reason of advancement of the proceeds hereof, acceleration of maturity of the unpaid principal balance of the Note, or otherwise, shall the amount paid or agreed to be paid to the Holders for the use, forbearance or detention of the money to be advanced hereunder exceed the highest lawful rate permissible under applicable usury laws. Ir, from any circumstances whatsoever, fulfillment of any provision hereof or of the Note or any other agreement referred to notein, at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by law which a court of competent jurisdiction may deem applicable hereto, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity and if from any circumstance the Holders shall ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the unpaid principal balance due under the Note and not to the payment of interest.

Mortgagee's Lien for Service Charge and Expenses

35. At all times, regardless of whether any loan proceeds

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have been disbursed, this mortgage secures (in addition to any loan proceeds disbursed from time to time) the payment of any and all loan commissions, service charges, liquidated damages, expenses and advances due to or incurred by Mortgagee in connection with the loan to be secured hereby, all in accordance with the application and loan commitment issued in connection with this transaction.

### Maintenance of Mortgagor's and Affiliated Persons' Interests; Additional Financing

- 36. Mortgagor shall not suffer or permit any of the following to occur:
- The transfer of title to all or any portion of the premises, whether by operation of law, voluntarily or otherwise;
- (b) The assignment of the beneficial interest in the trust constituting the Mortgagor, whether by operation of law, voluntarily or otherwise;
- (c) The encumbering of title to the premises by the lien of any mortgage, trust deed or other instrument in the nature of the mortgage or trust deed, the collateral assignment, pledge or hypothecation of the beneficial interest in the trust constituting Mortgagor hereunder or the assignment, pledge or hypothecation of the avails, rents, issues or profits of the premises, as, in any case, security for any loan or obligation other than the loan secured hereby;
- (d) The transfer, pledge or hypothecation, whether by operation of law, voluntarily or otherwise, of more than fifty percent (50%) of the voting stock of any cornerate Affiliated Person or of any subsequent corporate mortgager (other than a land trust mortgagor) who succeeds to title to the premises pursuant to this paragraph 36.

If any of the events set forth in subparagraphs (a)-(d) of this paragraph 36 shall occur without wattragraphs prior written consent, Mortgagee shall have the right to declars the entire indebtedness secured hereby immediately due and payable and to exercise all rights and remedies granted to Mortgagee under this mortgage in the event of default hereunder. In the event Mortgagee declares the indebtedness due and payable pursuant to this paragraph 36, there shall be added to the principal balance secured hereby an amount equal to the prepayment penalty which would be due if a prepayment in full was then being made pursuant to the terms of the Note.

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#### Applicable Law

37. This Mortgage, the Note and all other instruments evidencing and securing the loan secured hereby shall be construed, interpreted and government by the laws of the State of Illinois, provided, however, that in the event all or any portion or portions of the premises are not located in said state, then and in such event the enforcement hereof against the premises, or portion or portions thereof, located outside of such state, and remedies therefor, shall be governed by the laws of the jurisdiction in which the premises or such portions are located.

IN WITNESS WHEREOF, HDA Motors, Inc., has caused these presents to be signed by its President , and its corporate seal to be hereonto affixed by its <u>Secretary</u> the day and year first above written.

HDA MOTORS, INC.

Ву

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ATTEST:

Its Sant

This instrument was prepared by Martin W. Salzman Schwartz, Cooper, Kolb & Gaynor Chartered Suite 2222 33 North LaSalle Street Chicago, Illinois 60602 312/726-0845

MAILTO: EDGEWOOD BANK ATTN: TAYLOR JAEGER 1023 W. 55th ST. COUNTRYSIDE, IL 60525

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STATE OF ILLINOIS ) )SS: COUNTY OF COOK )
I, Taylor H. Jaeger, a Notary Public in and for said County, in the state aforesaid, do hereby certify that John Weinberger, President and Herman Weinberger, Secretary of HDA Motors, Inc., who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Officers, 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 corporation. for the uses and purposes therein set forth.
Given under my hand and notarial seal this 27th day of December 1985.
My commission expires February 16, , 1986.
County Control

GOOK COUNTY, ILLINOIS FILED FOR REGORD

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#### EXHIBIT A

The North 10 Acres (except the East 1.46 Feet thereof) of the West 27 acres North of the road (except the North 40 feet thereof taken for street purposes) of Lot 10 in school trustee's subdivision of the South East 4 of Section 16, Township 38 North, Range 12 East of the Third Principal Meridian, in Cook County, Illinois.

18-16-400-008 DE SOUNTEYSIDE, IL

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