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Property Address: 1400 Busse Road, Elk Grove Village, IL, Illinois
Permanent Real Estate Tax Index Number: 08-34-201-014

WHEN RECORDED MAIL TO:

Winston & Strawn
Suite 5000
One First National Plaza
Chicago, IL 60603
Attention: Richard A. Youhn
BOX 333-HV

\$26.00

MORTGAGE

THIS MORTGAGE ("Mortgage") is made and dated as of March 24, 1986, by Underwriters Salvage Company, an Illinois corporation having its chief executive offices at 1400 Busse Road, Elk Grove Village, Illinois 60007 ("Mortgagor"), and Northwestern National Life Insurance Company, a Minnesota corporation ("Mortgagee"), c/o Washington Square Capital, Inc., Suite 440, 512 Nicollet Mall, Minneapolis, Minnesota 55440.

W I T N E S S E T H:

WHEREAS, pursuant to the terms and provisions of that certain Term Loan and Security Agreement (the "Loan Agreement") of even date herewith between Mortgagor, Claims Services, Inc., a Delaware corporation and Guarantor of Mortgagor, and Mortgagee, Mortgagor has agreed to borrow and Mortgagee has agreed to lend the sum of Seven Million Five Hundred Thousand Dollars (\$7,500,000.00) as evidenced by a Promissory Note (the "Note") in an original aggregate principal amount of Seven Million Five Hundred Thousand Dollars (\$7,500,000.00) to be paid with interest thereon, the final payment of the Note being due and payable on April 1, 1991;

WHEREAS, as a condition to Mortgagee's making any loan, advance or other financial accommodation to Mortgagor, including without limitation the sums advanced by the Note, Mortgagee has required that Mortgagor enter into this Mortgage and grant to Mortgagee the liens and security interests referred to herein to secure (a) the payment of the principal amount evidenced by the Note together with interest thereon and (b) any further or subsequent advances made to preserve the lien of this Mortgage and (c) the performance of all of the terms, covenants, conditions, agreements, obligations and liabilities of Mortgagor under (i) this Mortgage or (ii) any other mortgages or deeds of trust made by Mortgagor to secure payment of the Note (any such other mortgages or deeds of trust are hereinafter collectively referred to as "Additional Mortgages") and (iii) the Loan Agreement and (iv) any other document or agreement executed by Mortgagor in connection with the Note, the Loan Agreement, this Mortgage or the Additional Mortgages (all of the foregoing payment and performance obligations set forth in the preceding clauses (a), (b) and (c) are hereinafter collectively referred to as the "Liabilities");

NOW, THEREFORE, to secure payment of the Liabilities and in consideration of One Dollar (\$1.00) in hand paid, receipt whereof is hereby acknowledged, Mortgagor does hereby irrevocably grant, remise, release, alien, convey mortgage and warrant the following described real estate in Cook County, State of Illinois:

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See Exhibit A attached hereto and by this reference made a part hereof

which real estate, together with the property described in the next succeeding paragraph is herein called the "premises,"

TOGETHER WITH all right, title and interest, including the right of use or occupancy, which Mortgagor may now have or hereafter acquire in and to (a) any lands occupied by streets, alleys, or public places adjoining said premises or in such streets, alleys, or public places; (b) all improvements, tenements, hereditaments, gas, oil, minerals, easements, fixtures and appurtenances, and all other rights and privileges thereunto belonging or appertaining; (c) all apparatus, machinery, equipment and appliances (whether single units or centrally controlled) of Mortgagor now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, ventilation or refrigeration or to treat or dispose of refuse or waste; (d) all screens, window shades, blinds, wainscoating, storm doors and windows, floor coverings, and awnings of Mortgagor; (e) all apparatus, machinery, equipment and appliances of Mortgagor used or useful for or in connection with the maintenance and operation of said real estate or intended for the use or convenience of tenants, other occupants, or patrons thereof; (f) all items of furniture, furnishings, equipment, and personal property used or useful in the operation of said real estate; and (g) all replacements and substitutions for the foregoing whether or not any of the foregoing is or shall be on or attached to said real estate. It is mutually agreed, intended, and declared, that all of the aforesaid property owned by Mortgagor shall, so far as permitted by law, be deemed to form a part and parcel of said real estate and for the purpose of this Mortgage to be real estate and covered by this Mortgage. It is also agreed that if any of the property herein mortgaged is of a nature so that a security interest therein can be perfected under the Uniform Commercial Code, this instrument shall constitute a Security Agreement and Mortgagor agrees to execute, deliver and file or refile any financing statement, continuation statement, or other instruments Mortgagee may require from time to time to perfect or renew such security interest under the Uniform Commercial Code. Upon the occurrence of an Event of Default under this Mortgage or the Loan Agreement, Mortgagee shall have the remedies of a secured party under the Uniform Commercial Code and, at Mortgagee's option, may also invoke Mortgagee's remedies provided hereinbelow with respect to the real property. In exercising any of said remedies, Mortgagee may proceed against the items of real property and any items of personal property specified above as part of the premises separately or together and in any order whatsoever, without in any way affecting the availability of Mortgagee's remedies under the Uniform Commercial Code or of the remedies provided to Mortgagee hereinbelow.

As additional security for the Liabilities secured hereby, Mortgagor does hereby pledge and assign to Mortgagee and Mortgagee from and after the date hereof (including any period of redemption), primarily and on a parity with said real estate, and not secondarily, all the rents, issues and profits of the premises and all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing (including all deposits of money as advance rent, for security or as earnest money or as downpayment for the purchase of all or any part of the premises) under any and all present and future leases, contracts or other agreements relative to the ownership or occupancy of all or any portion of the premises and does hereby transfer and assign

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to Mortgagee and Mortgagee such leases and agreements (including all Mortgagor's rights under any contracts for the sale of any portion of the premises). Mortgagor agrees not to procure or accept the prepayment of any rents or other income from the premises for more than one month, except with the prior written consent of the Mortgagee. Mortgagor further agrees to execute and deliver such assignments of leases or assignments of land purchase contracts as Mortgagee may from time to time request. In the event of a default under the Note, the Loan Agreement or this Mortgage which is not cured in the time provided therefor, (1) the Mortgagor agrees, upon demand, to deliver to the Mortgagee all leases, land purchase contracts and other agreements for the ownership or occupancy of any part of the premises, with such additional assignments thereof as the Mortgagee may request and agrees that the Mortgagee may assume the management of the premises and collect the rents and other income therefrom, applying the same upon the Liabilities and (2) the Mortgagor hereby authorizes and directs all tenants, purchasers or other persons occupying or otherwise acquiring any interest in any part of the premises to pay all rents and other income due under said leases and agreements to the Mortgagee upon request of the Mortgagee. Mortgagor hereby appoints Mortgagee as its true and lawful attorney in fact to manage said property and collect the rents and other income, with full power to bring suit for collection of said rents and possession of said property, giving and granting unto said Mortgagee and unto its agent or attorney full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in the protection of the security hereby conveyed; provided, however, that this power of attorney and assignment of rents shall not be construed as an obligation upon said Mortgagee or Mortgagee to make or cause to be made any repairs that may be needful or necessary. This power of attorney and assignment of rents shall be irrevocable until this Mortgage shall have been satisfied and releases of record and the releasing of this Mortgage shall act as a revocation of this power of attorney and assignment of rents. Mortgagee shall have and hereby expressly reserve the right and privilege (but assume no obligation) to demand, collect, sue for, receive and recover all rents, profits, revenues, royalties, bonuses, rights and benefits under any and all oil, gas, or mineral leases of the premises, or any part thereof, now existing or hereafter made, and apply the same upon the Liabilities hereby secured, either before or after default hereunder. The rights granted hereunder are in addition to, and not in limitation of, all rights granted to Mortgagee under the Assignment of Leases, Rents and Profits of even date herewith from Mortgagor, as Assignor, to Mortgagee, as Assignee.

Nothing herein contained shall be construed as constituting the Mortgagee a mortgagee-in-possession in the absence of the taking of actual possession of the premises by Mortgagee. In the exercise of the powers herein granted the Mortgagee, no liability shall be asserted or enforced against the Mortgagee, all such liability being expressly waived and released by Mortgagor.

TO HAVE AND TO HOLD the premises, properties, rights and privileges hereby conveyed or assigned, or intended so to be, unto Mortgagee, its successors and assigns, forever for the uses and purposes herein set forth. Mortgagor hereby covenants that, at the same time of the sealing and delivery of these presents, Mortgagor is well seized of said real estate and premises in fee simple, and with full legal and equitable title to the premises, with good right, full power and lawful authority to sell, assign, convey and mortgage the same, and that it is free and clear of encumbrances, except as described on Exhibit B (if any Exhibit B

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is attached hereto) and made a part hereof, and that Mortgagor will forever defend the same against all lawful claims.

The following provisions shall also constitute an integral part of this Mortgage:

1. Mortgagor agrees to pay, when due or declared due, all of the Liabilities secured hereby.

2. (a) Mortgagor is duly authorized to make and enter into this Mortgage and to carry out the transactions contemplated herein.

(b) This Mortgage has been fully executed and delivered pursuant to authority legally adequate therefor; Mortgagor has been and is authorized and empowered by all necessary persons having the power of direction over it to execute and deliver said instrument; said instrument is legal, valid and binding obligation of Mortgagor enforceable with its terms.

(c) Mortgagor hereby restates all representations and warranties that it has made under the Loan Agreement.

3. Mortgagor agrees (a) not to abandon the premises; (b) to keep all buildings and improvements which are part of the premises in good, safe and insurable condition and repair (except that Mortgagor shall not be obligated to repair any damage where an insured casualty loss has occurred and there are sufficient insurance proceeds to perform such repairs but Mortgagee has made an election to apply such proceeds to a reduction of the indebtedness hereby secured) and not to commit or suffer waste; (c) to refrain from impairing or diminishing the value of this Mortgage; (d) neither to make nor to permit structural or other substantial alterations in the buildings or any substantial construction on the premises without the written consent of Mortgagee except as required by law or municipal ordinance; and (e) pay when due any indebtedness which may be secured by a lien on the premises, whether said lien is superior or inferior to the lien of this Mortgage.

4. Mortgagor agrees to pay, not later than the due date and before any penalty or interest attaches, all general taxes and all special taxes, special assessments, water, drainage and sewer charges and all other charges of any kind whatsoever, ordinary or extraordinary, which may be levied, assessed or imposed on or against the premises and, at the request of Mortgagee, to exhibit to Mortgagee official receipts evidencing such payments; provided, however, that in the case of any special assessment (or other imposition in the nature of a special assessment) payable in installments, each installment thereof shall be paid prior to the date on which each such installment becomes due and payable.

5. Mortgagor agrees that, if the United States or the state in which the premises are located or any of their subdivisions having jurisdiction shall levy, assess, or charge any tax, assessment or imposition upon this Mortgage or the credit or the indebtedness secured hereby or the interest of Mortgagee in the premises or upon Mortgagee by reason of or as holder of any of the foregoing then, Mortgagor shall pay (or reimburse Mortgagee for) such taxes, assessments or impositions and, unless all such taxes, assessments and impositions are paid or reimbursed by Mortgagor when and as they become due and payable, all sums hereby secured shall become immediately due and payable at the option of

Mortgagee, notwithstanding anything contained herein or in any law heretofore or hereafter enacted. Mortgagor agrees to exhibit to Mortgagee, at least annually and at any time upon request, official receipts showing payment of all taxes, assessments and charges which Mortgagor is required or elects to pay hereunder.

6. (a) Mortgagor agrees to maintain in force at all times fire and extended coverage insurance (including, without limitation, windstorm, earthquake, explosion and such other risks usually insured against by owners of like properties) on the premises in such amounts as required under the Loan Agreement and in no event less than the amount required to prevent Mortgagee from becoming a co-insurer within the terms of the applicable policies.

(b) Mortgagor will also maintain Flood Insurance, if required, pursuant to a designation of the area in which the mortgaged premises are located as flood prone or a flood risk area, as defined by the Flood Disaster Protection Act of 1973, as amended, in an amount to be determined by the Mortgagee from time to time pursuant to the Loan Agreement, when appropriate, as well as comply with any additional requirements of the National Flood Insurance Program as set forth in said Act.

(c) All such insurance shall be written by companies and on forms with endorsements satisfactory to Mortgagee, all with suitable loss-payable endorsement as required by the Loan Agreement and with standard non-contribution clauses in favor of Mortgagee (or, in case of a foreclosure sale, in favor of the owner of the certificate of sale) and certified copies of the policies evidencing the same shall be kept constantly deposited with Mortgagee. All said policies shall provide for, among other things, written notice to Mortgagee of their expiration or any anticipated cancellation at least thirty (30) days prior to such event occurring. Not less than thirty (30) days prior to the expiration of any such policy, a certified copy of an appropriate renewal policy shall be deposited with Mortgagee. In case of loss, Mortgagee is authorized to collect all insurance proceeds and, except as otherwise provided in Paragraph 12 hereinbelow, apply them, at its option, to the reduction of the Liabilities hereby secured, whether due or not then due, or, at Mortgagee's option, may allow Mortgagor to use such money, or any part thereof, in repairing the damage or restoring the improvements.

(d) Mortgagor shall notify Mortgagee, in writing, of any loss to the premises covered by insurance and Mortgagor hereby directs each insurance company to make payment for such loss directly and solely to Mortgagee; and Mortgagor agrees that any payment which is delivered, for any reason, to Mortgagor shall be held in trust for Mortgagee and promptly delivered in the form received (except for any necessary endorsements thereon) to Mortgagee.

7. Mortgagor agrees that it will comply with all restrictions affecting the premises and with all laws, ordinances, acts, rules, regulations and orders of any legislative, executive, administrative or judicial body, commission or officer (whether federal, state or local) exercising any power of regulation or supervision over Mortgagor, or any part of the premises, whether the same be directed to the repair thereof, manner of use thereof, structural alteration of buildings located thereon, or otherwise.

8. Mortgagor agrees that, if the United States Government or any department, agency or bureau thereof or if the

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state in which the premises are located or any of its subdivisions shall at any time require documentary stamps to be affixed to the Mortgage, Mortgagor will, upon request, pay for such stamps in the required amount and deliver them to Mortgagee, and Mortgagor agrees to indemnify Mortgagee against liability on account of such documentary stamps, whether such liability arises before or after payment of the Liabilities and regardless whether this Mortgage shall have been released.

9. In addition to such financial statements as are required by the Loan Agreement, Mortgagor shall furnish to Mortgagee not later than ninety days after the close of each fiscal year a detailed report, consistent with the aforesaid financial statement, certified to be true and correct by Mortgagor, prepared in accordance with generally accepted accounting principles consistently applied and containing a statement in detail of the complete rental or sales status of the premises; the name or names of all owners, contract purchasers, tenants, subtenants and other occupants of or owners of interests in the premises; the dates and terms of all land sales contracts, leases, subleases and other occupancy agreements; the floor and rentable area in square feet and the location of each tenant's, subtenant's and other occupant's space; and rentals or sales prices being paid.

10. In the event of an Event of Default (as hereinafter defined) Mortgagee reserves the right to require by written demand that Mortgagor make the monthly deposits set forth in this Paragraph, and Mortgagor agrees that after receipt of said written demand it shall thereafter make monthly deposits in an interest-bearing account, which account shall be pledged to Mortgagee at a bank or similar financial institution acceptable to Mortgagee, of an amount equal to the sum of 1/12th of the annual general real estate taxes levied on the premises and 1/12th of the annual premium required to maintain insurance in force on the premises in accordance with the provisions of this Mortgage, (with such additional deposits as are necessary to assure that upon Mortgagor's initial deposit there shall always be on deposit an amount equal to the real estate taxes accrued and to accrue at the end of the month following each such deposit and the insurance premium due and payable at the end of the month following each such deposit) the amount of such taxes and premiums, if unknown, to be estimated on the basis of the previous year's taxes or premiums, if any, or by such person or corporation as is acceptable to Mortgagee. Mortgagor shall provide Mortgagee with the original real estate tax bill or insurance invoice not later than ten (10) days before the payment is due and shall concurrently deposit at a bank or similar financial institution acceptable to Mortgagee an amount equal to the difference between the amount available in the aforesaid escrow account for such payment (giving effect to other taxes or expenses which are also to be paid from said account) as shown on Mortgagee's records and the amount required to be paid. Mortgagee reserves the right either to use the funds in such account (including the supplemental deposits required by the preceding sentence) to pay such taxes and premiums on their respective due dates or to withdraw such funds for application on the Liabilities. Notwithstanding the provisions of this Paragraph hereinabove set forth, Mortgagee reserves the right to elect all other remedies available to it under this Mortgage, the Loan Agreement, or any other "Agreement" or "Other Agreement" as defined herein. Mortgagee, in its sole discretion, may waive from time to time the requirement that such deposits be made, and if Mortgagee shall at any time waive such requirement, Mortgagor shall furnish Mortgagee with copies of paid tax receipts and

insurance premium receipts not later than five (5) days before the payment is due.

11. Mortgagor agrees faithfully to perform all of its obligations under all present and future leases or other agreements relative to the occupancy of the premises at any time assigned to Mortgagee by separate instrument as additional security, and to refrain from any action or inaction which would result in termination of any such leases or agreements or in the diminution of the value thereof or of the rents or revenues due thereunder (provided, however, that Mortgagor shall be entitled to exercise any remedies available to it under the law or any leases with any tenant in the event of a default by any tenant of any of its obligations to Mortgagor). Mortgagor further agrees that any lease of the premises made after the date of recording of this Mortgage shall contain a covenant to the effect that such lessee shall, at Mortgagee's option, agree to attorn to Mortgagee as lessor and, upon demand, to pay rent to Mortgagee.

12. If any building or other improvement now or hereafter erected on the premises shall be destroyed, or damaged by fire or any other cause, whether insured or uninsured, Mortgagee shall have the right, at its sole discretion, either to apply any insurance proceeds or other recovery related to said loss to a reduction of the indebtedness hereby secured or to allow Mortgagor to use all or a portion of the proceeds for restoration of the building or improvement.

(a) Notwithstanding the foregoing, so long as there is no Event of Default pending under this Mortgage or the Loan Agreement, Mortgagee shall disburse such insurance proceeds or other recovery related to such loss to Mortgagor for restoration of the building or improvement if the cost of such restoration is less than five percent (5%) of the then current appraised value of the building or improvement. In such event, Mortgagor shall restore or rebuild any damaged or destroyed buildings or improvements with materials and workmanship of as good quality as existed before such damage and destruction to substantially their former state, commencing the work of restoration or rebuilding as soon as possible and proceeding diligently with it until completion. Plans and specifications for the restoration as hereinabove required shall be submitted to Mortgagee prior to commencement of work and shall be subject to reasonable approval of Mortgagee. Mortgagor shall not be obligated to restore or rebuild any damage where an insured casualty loss has occurred when Mortgagee has made an election to apply such insurance proceeds to a reduction of the indebtedness secured hereby.

(b) In the event Mortgagee elects at its option to use the insurance proceeds to reimburse Mortgagor for the costs of rebuilding or restoration in those cases where said costs are equal to or greater than five percent (5%) of the then current appraised value of the building or improvement, the insurance proceeds actually collected by Mortgagee and under its control shall be available to reimburse Mortgagor for the cost of rebuilding or restoration, provided Mortgagor shall have deposited with Mortgagee within the 30 days next following the receipt of said insurance proceeds an amount equal to the deficiency, if any, between the cost of rebuilding the improvements, as determined by evidence satisfactory to Mortgagee, and the insurance proceeds, available in the hands of Mortgagee for rebuilding of the same. The aforesaid deposit, together with such insurance proceeds, shall be made available by Mortgagee to Mortgagor to rebuild the improvements, subject to the other requirements hereinafter set

forth. The buildings and improvements shall be restored or rebuilt by Mortgagor so as to be of at least equal value and substantially the same character as prior to such damage or destruction. Furthermore, in the event Mortgagee has so elected to use the insurance proceeds to reimburse Mortgagor for the costs of rebuilding or restoration, then such proceeds, together with the aforesaid deposit, shall be made available, from time to time, only upon the Mortgagee 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 the Mortgagee may require and approve, and with all plans and specifications for such rebuilding or restoration as the Mortgagee may 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 from time to time, and at all times the undisbursed balance of said proceeds (together with any other funds deposited with Mortgagee for the purpose of paying for the work) remaining in the hands of the Mortgagee shall be at least sufficient to pay for the cost of completion of the work free and clear of liens.

13. Mortgagor agrees to indemnify Mortgagee from all loss, damage and expense, including reasonable attorneys' fees and expenses and the costs of any settlement or judgment, incurred in connection with any suit or proceeding in or to which Mortgagee may be made a part for the purpose of protecting the lien of this Mortgage and all such fees, expenses and costs shall be additional Liabilities secured hereby.

14. Mortgagor hereby assigns to Mortgagee, as additional security, all awards of damage resulting from condemnation proceedings or the taking of or injury to the premises for public use, and Mortgagor agrees that the proceeds of all such awards shall be paid to Mortgagee and may be applied by Mortgagee, at its option, after the payment of all its expenses in connection with such proceedings, including reasonable attorneys' fees and expenses, to the reduction of the Liabilities hereby secured, and Mortgagee is hereby authorized, on behalf of and in the name of Mortgagor, to execute and deliver valid acquittance for and to appeal from any such award.

15. Mortgagor agrees that, from and after the occurrence of a default under this Mortgage, Mortgagee may, but need not, make any payment or perform any act heretofore required of Mortgagor, in any form and manner deemed expedient. By way of illustration and not in limitation of the foregoing, Mortgagee may, but need not, (i) make full or partial payments of insurance premiums which are unpaid by Mortgagor, and of principal or interest to persons claiming prior or coordinate or subordinate liens or encumbrances, if any, and (ii) purchase, discharge, compromise or settle any tax lien or any other lien, encumbrance, suit, proceeding, title or claim thereof, or (iii) redeem all or any part of the premises from any tax or assessment. All money paid for any of the purposes herein authorized and all other moneys advanced by Mortgagee to protect the premises and the lien hereof shall be additional Liabilities secured hereby and shall become immediately due and payable without notice and shall bear interest thereon at the augmented default interest rate provided in the Loan Agreement (the "Default Rate") until paid to Mortgagee in full. In making any payment hereby authorized relating to taxes, assessments or prior or coordinate or subordinate liens or encumbrances, Mortgagee shall be the sole judge of the legality, validity and priority thereof and of the amount necessary to be paid in satisfaction thereof.

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16. Mortgagee, or any person designated by Mortgagee in writing, shall have the right, from time to time hereafter, to call at the premises (or at any other place where information relating thereto is kept or located) during reasonable business hours and, without hindrance or delay, to make such inspection and verification of the premises, and the affairs, finances and business of Mortgagor in connection with the premises, as Mortgagee may consider reasonable under the circumstances, and to discuss the same with any agents or employees of Mortgagor.

17. Any of the following occurrences or acts shall constitute an event of default under this Mortgage ("Event of Default"): (i) Mortgagor fails to pay the indebtedness evidenced by the Note, including any installment of principal or interest thereunder, when due or when declared due; (ii) the occurrence of any "Event of Default" as defined in the Loan Agreement; (iii) Mortgagor shall fail to observe or perform any of Mortgagor's covenants, agreements or obligations under this Mortgage and such default shall continue for ten (10) days after written notice thereof from Mortgagee (other than an occurrence referred to or embodied in the Loan Agreement constituting an immediate Event of Default, and, provided further, that in the event of the occurrence of any Event of Default, whether under this Mortgage, the Loan Agreement, or any "Agreement" or "Other Agreements" as defined in said Loan Agreement, the period of time set forth in the Loan Agreement for the serving of notices or the cure of any Event of Default shall govern); (iv) the premises or a substantial part thereof shall have been abandoned for ten (10) consecutive days; (v) a default shall occur under any of the Additional Mortgages or under any other agreement or instrument between Mortgagor and Mortgagee pertaining to the Liabilities (after expiration of any applicable cure or grace period expressly provided therein); (vi) a default shall occur under any mortgage or deed of trust encumbering the premises which secures an indebtedness to someone other than the Mortgagee; or (vii) Mortgagor fails to use its best efforts to secure promptly a replacement tenant or lessee and a lease of equal or greater value when an existing tenant or lessee of the premises shall default in its obligations under any lease of the premises or under any security agreement or other instrument given to Mortgagor to secure performance of the tenant or lessee under such lease. If an Event of Default shall have occurred, then, to the extent permitted by applicable law, the following provisions shall apply:

(a) All sums secured hereby shall, at the option of Mortgagee, become immediately due and payable without presentment, demand or further notice.

(b) It shall be lawful for Mortgagee to (i) immediately sell the premises either in whole or in separate parcels, if permitted by applicable law, under power of sale, which power is hereby granted to Mortgagee to the full extent permitted by applicable law, and thereupon, to make and execute to any purchaser(s) thereof deeds of conveyance pursuant to applicable law or (ii) immediately foreclose this Mortgage by action. The court in which any proceeding is pending for the purpose of foreclosure of this Mortgage may, at once or at any time thereafter, either before or after sale, without notice and without requiring bond, and without regard to the solvency or insolvency of any person liable for payment of the Liabilities secured hereby, and without regard to the then value of the premises of the occupancy thereof as a homestead, appoint a receiver (the provisions for the appointment of a receiver and assignment of rents being an express condition upon which the loan hereby

secured is made) for the benefit of Mortgagee, with power to collect the rents, issues and profits of the premises due and to become due, during such foreclosure suit and the full statutory period of redemption notwithstanding any redemption. The receiver, out of such rents, issues and profits when collected, may pay costs incurred in the management and operation of the premises, prior and coordinate liens, if any, and taxes, assessments, water and other utilities and insurance, then due or thereafter accruing, and may make and pay for any necessary repairs to the premises, and may pay all or any part of the Liabilities or other sums secured hereby or any deficiency decree entered in such foreclosure proceedings.

(c) Mortgagee shall, at its option, have the right, acting through its agents or attorneys, either with or without process of law, forcibly or otherwise, to enter upon and take possession of the premises, expel and remove any persons, goods, or chattels occupying or upon the same, to collect or receive all the rents, issues and profits thereof and to manage and control the same, and to lease the same or any part thereof, from time to time, and, after deducting all reasonable attorneys' fees and expenses, and all reasonable expenses incurred in the protection, care, maintenance, management and operation of the premises, apply the remaining net income upon the Liabilities or other sums secured hereby or upon any deficiency decree entered in any foreclosure proceedings.

(d) Mortgagee shall have the right to exercise any other remedy provided in the Loan Agreement.

18. In any foreclosure of this Mortgage by action, or any sale of the premises by advertisement, there shall be allowed (and included in the decree for sale in the event of a foreclosure by action), to be paid out of the rents or the proceeds of such foreclosure proceeding or sale:

(a) all of the Liabilities and other sums secured hereby which then remain unpaid.

(b) all other items advanced or paid by Mortgagee pursuant to this Mortgage, with interest thereon at the Default Rate from the date of advancement; and

(c) all court costs, attorneys' fees and expenses, appraiser's fees, advertising costs, notice expenses, expenditures for documentary and expert evidence, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title guarantees, title insurance policies, Torrens certificates and similar data with respect to title which Mortgagee may deem necessary. All such expenses shall become additional Liabilities secured hereby and immediately due and payable, with interest thereon at the Default Rate, when paid or incurred by Mortgagee in connection with any proceedings, including but not limited to probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured or in connection with the preparations for the commencement of any suit for the foreclosure, whether or not actually commenced, or sale by advertisement. The proceeds of any sale (whether through a foreclosure proceeding or Mortgagee's exercise of the power of sale) shall be distributed and applied to the items described in (a), (b), and (c) of this paragraph, as Mortgagee may in its sole discretion

determine, and any surplus of the proceeds of such sale shall be paid to the persons legally entitled thereto.

19. Each remedy or right of Mortgagee shall not be exclusive of but shall be in addition to every other remedy or right now or hereafter existing at law or in equity or as provided for in the Loan Agreement or in any "Agreement" or "Other Agreements" as defined therein. No delay in the exercise or omission to exercise any remedy or right accruing on any default shall impair any such remedy or right or be construed to be a waiver of any such default or acquiescence therein, nor shall it affect any subsequent default of the same or in different nature. Every such remedy or right may be exercised concurrently or independently and when and as often as may be deemed expedient by Mortgagee.

20. If more than one property, lot or parcel is covered by this Mortgage, and if this Mortgage is foreclosed upon, or judgment is entered upon any obligation secured hereby, or if Mortgagee exercises its power of sale, execution may be made upon or Mortgagee may exercise its power of sale against any one or more of the properties, lots or parcels and not upon the others, or upon all of such properties or parcels, either together or separately, and at different times or at the same time, and execution sales or sales by advertisement may likewise be conducted separately or concurrently, in each case at Mortgagee's election.

21. Mortgagor agrees that, upon request of Mortgagee from time to time, it will execute, acknowledge and deliver all such additional instruments and further assurances of title and will do or cause to be done all such further acts and things as may reasonably be necessary to fully effectuate the intent of this Mortgage.

22. All notices, demands, consents, requests, approvals, undertakings or other instruments required or permitted to be given in connection with this Mortgage shall be in writing and shall be sent by United States registered or certified mail, addressed as follows:

(i) If to Mortgagee, at

Northwestern National Life Insurance Company
c/o Washington Square Capital, Inc.
Suite 440, 512 Nicollet Mall
Minneapolis, Minnesota 55440
Attention: Kenneth U. Kuk, President

with a copy to:

Winston & Strawn
One First National Plaza
Chicago, Illinois 60603
Attention: David G. Crumbaugh, Esq.

(ii) If to Mortgagor, at

Underwriters Salvage Company
1400 Busse Road
Elk Grove Village, Illinois 60007
Attention: Christopher G. Knowles

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with a copy to:

Walsh, Case, Coale & Brown
2500 Prudential Plaza
Chicago, Illinois 60601
Attention: Robert O. Case, Esq.

Mortgagor and Mortgagee shall, from time to time, have the right to specify as the proper addressee and/or address for the purposes of this Mortgage any other address in the United States upon giving ten (10) days' written notice thereof.

23. Mortgagor agrees that, without affecting the liability of any person for payment of the Liabilities secured hereby or affecting the lien of this Mortgage upon the Premises or any part thereof (other than persons or property explicitly released as a result of the exercise by Mortgagee of its rights and privileges hereunder), Mortgagee may at any time and from time to time, on request of the Mortgagor, without notice to any person liable for payment of any Liabilities secured hereby, extend the time, or agree to alter the terms of payment of such Liabilities.

24. Mortgagor agrees that this Mortgage is to be construed and governed by the laws of the State of Illinois. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Mortgage shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Mortgage.

25. Upon full payment of all sums secured hereby or upon application on the Liabilities of the proceeds of any sale of the Premises in accordance with the provisions of this Mortgage, at the time and in the manner provided, this conveyance shall be null and void and upon demand therefor following such payment, a Release of Mortgage shall, in due course, be provided by Mortgagee to Mortgagor.

26. This Mortgage shall be binding upon the Mortgagor and upon the successors, assigns and vendees of the Mortgagor and shall inure to the benefit of the Mortgagee's successors and assigns; all references herein to the Mortgagor and to the Mortgagee shall be deemed to include their successors and assigns. Mortgagor's successors and assigns shall include, without limitation, a receiver, mortgagee or debtor in possession of or for the Mortgagor. Wherever used, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all the genders.

27. The Mortgagor, within ten (10) days after the request in person or within fifteen (15) days after request by mail, will furnish a duly acknowledged written statement setting forth the amount of the debt secured by this Mortgage, the date to which interest, if any, has been paid and stating either that no offset or defenses exist against the Mortgage, or, if such offsets or defenses are alleged to exist, the nature thereof.

28. Mortgagor hereby waives all errors and imperfections in any proceedings instituted by Mortgagee under this Mortgage, the Loan Agreement, or any other Agreement or Other Agreement(s) defined in the Loan Agreement and all benefit of any present or future statute of limitations or any other present or

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future statute, law, stay, moratorium, appraisal or valuation law, regulation or judicial decision (including but not limited to the homestead exemptions), nor shall Mortgagor at any time insist upon or plead, or in any manner whatsoever, claim or take any benefit or advantage of any such statute, law, stay, moratorium, regulation or judicial decision which (i) provides for the valuation or appraisal of the premises prior to any sale or sales thereof which may be made pursuant to any provisions herein or pursuant to any decree, judgment or order of any court of competent jurisdiction, (ii) exempts any of the premises or any other property, real or personal, or any part of the proceeds arising from any sale thereof from attachment, levy or sale under execution, (iii) provides for any stay of execution, moratorium, marshalling of assets, exemption from civil process, redemption or extension of time for payment, (iv) requires Mortgagee to institute proceedings prior to any sale of the premises or prior to exercising any other remedy afforded Mortgagee hereunder upon occurrence of an Event of Default, (v) affects any of the terms, covenants, conditions or provisions of this Mortgage, or (vi) conflicts with or may affect, in a manner which may be adverse to Mortgagee any provision, covenant, condition or term of this Mortgage or the Loan Agreement, nor shall Mortgagor at any time after any sale or sales of the premises pursuant to any provision herein claim or exercise any right under any present or future statute, law, stay, moratorium, regulation or judicial decision to redeem the premises or the portion thereof so sold. Mortgagor hereby waives the right, if any, to require any sale to be made in parcels, or the right, if any, to select parcels to be sold, and there shall be no requirement for marshalling of assets.

29. Mortgagor shall not permit any liens or security interests (including any mechanics' or materialmen's liens), other than those described on Exhibit B attached hereto and those in favor of Mortgagee, to remain filed or attached to the premises without the written consent of Mortgagee, and Mortgagor shall not sell, convey, refinance or otherwise dispose of all or any part of the premises without the prior written consent of Mortgagee. If Mortgagor does sell, convey, refinance or otherwise dispose of all or any part of the premises without the prior written consent of Mortgagee, Mortgagee may elect, by notice in writing to Mortgagor, to declare the entire unpaid principal indebtedness and interest and all other sums secured hereby to be and to become due and payable immediately upon the giving of such notice.

30. In the event of any express conflict between the provisions of this Mortgage and the provisions of the Loan Agreement, then, in such event, the provisions of the Loan Agreement, which are expressly incorporated herein, shall control.

31. The execution of this Mortgage has been duly authorized by the board of directors of Mortgagor.

32. This Mortgage may be executed in any number of counterparts and execution copies, each of which when so executed shall be deemed to be an original and all of which when so executed shall constitute one and be the same Mortgage.

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IN WITNESS WHEREOF, this instrument is executed and acknowledged under seal as of the day and year first above written by Christopher G. Knowles on behalf of Mortgagor (and said person hereby represents that he possessed full power and authority to execute this instrument).

THE MORTGAGOR HEREBY DECLARES AND ACKNOWLEDGES THAT THE MORTGAGOR HAS RECEIVED, WITHOUT CHARGE, A TRUE COPY OF THIS MORTGAGE.

(Corporate Seal)

UNDERWRITERS SALVAGE COMPANY,
an Illinois corporation

By: *Christopher G. Knowles*

Its: PRESIDENT

Attest: *Jessie J. W. ...*

Its: Asst. Secretary

This Instrument was prepared by:
Helen D. Shapiro
Winston & Strawn
One First National Plaza, Suite 5000
Chicago, Illinois 60603

Property of Cook County Clerk's Office

1935 MAR 25 PM 2:19

COOK COUNTY ILLINOIS
CLERK'S OFFICE

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STATE OF ILLINOIS)
)
COUNTY OF COOK) SS

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that CHRISTOPHER G. KNOWLES personally known to me to be the President of Underwriters Salvage Company, an Illinois corporation, and THEODORE J. MICALLEWRIGHT personally known to me to be the ASSISTANT Secretary of said corporation, and personally known to me to be the same whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and ASSISTANT Secretary of said corporation, they signed and delivered said instrument and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority, given by the Board of Directors of said corporation as their free and voluntary act, and as the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 21st day of MARCH 1986.

Theodore W. Griggs
Notary Public

My Commission Expires October 22, 1986

My Commission expires _____

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EXHIBIT A

EAST 730 FEET OF LOT 126 IN CENTEX INDUSTRIAL PARK UNIT 92 A
SUBDIVISION IN SECTION 34, TOWNSHIP 41 NORTH, RANGE 11 EAST OF THE
THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office

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end

EXHIBIT B

Liens, claims and encumbrances:

None, except:

1. General real estate taxes not yet due and payable.
2. The following:

BUILDING LINE OVER THE NORTH 25 FEET AND EAST 25 FEET OF THE LAND AS SHOWN ON THE PLAT OF SAID SUBDIVISION RECORDED SEPTEMBER 27, 1968 AS DOCUMENT 20629282

EASEMENT FOR PUBLIC UTILITIES AND DRAINAGE OVER THE SOUTH 15 FEET OF THE LAND AS SHOWN ON THE PLAT OF SAID SUBDIVISION

EASEMENTS FOR PUBLIC UTILITIES, SEWER, WATER AND DRAINAGE OVER THE NORTH 25 FEET AND EAST 25 FEET OF THE LAND AS SHOWN ON THE PLAT OF SAID SUBDIVISION.

EASEMENT OVER THE NORTH 25 FEET, EAST 25 FEET AND SOUTH 15 FEET OF THE LAND FOR THE PURPOSE OF INSTALLING AND MAINTAINING ALL EQUIPMENT NECESSARY FOR THE PURPOSE OF SERVING THE SUBDIVISION AND OTHER PROPERTY WITH TELEPHONE AND ELECTRIC SERVICE, TOGETHER WITH RIGHT TO OVERHANG AERIAL SERVICE WIRES AND ALSO WITH RIGHT OF ACCESS THERETO, AS GRANTED TO THE THE ILLINOIS BELL TELEPHONE COMPANY AND THE COMMONWEALTH EDISON COMPANY AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS AND AS SHOWN ON PLAT OF SUBDIVISION RECORDED SEPTEMBER 27, 1968 AS DOCUMENT 20629282.

EASEMENT OVER THE SOUTH 15 FEET, EAST 25 FEET AND NORTH 25 FEET FOR THE INSTALLATION, MAINTENANCE, RELOCATION, RENEWAL AND REMOVAL OF GAS MAINS AND APPURTENANCES AS GRANTED TO THE NORTHERN ILLINOIS GAS COMPANY, ITS SUCCESSORS AND ASSIGNS BY PLAT OF SUBDIVISION RECORDED SEPTEMBER 27, 1968 AS DOCUMENT 20629282.

COVENANTS AND RESTRICTIONS CONTAINED IN DEED FROM CHICAGO TITLE AND TRUST COMPANY AS TRUSTEE UNDER TRUST NUMBER 44344 TO

UNDERWRITERS SALVAGE COMPANY OF CHICAGO, A CORPORATION OF ILLINOIS, DATED DECEMBER 4, 1960 AND RECORDED DECEMBER 10, 1960 AS DOCUMENT 20700192 RELATING TO THE LOCATION OF BUILDINGS TO BE ERECTED ON THE LAND, LOADING DOCKS, OFF STREET PARKING, CHARACTER, CONSTRUCTION, LANDSCAPING, HEIGHT, STORAGE YARDS, USE, LOCATION OF FENCES AND SCREENING.

Any and all chattel mortgages, filings or recordings under the Uniform Commercial Code, or similar filings or recordings, further collateralizing the indebtedness secured by this Mortgage.

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