

This instrument was prepared by Alan Papernick, Esquire,
Papernick & Gefsky, 34th Floor, One Oxford Centre, Pittsburgh,
Pennsylvania 15219.

MORTGAGE AND SECURITY AGREEMENT

87512661

THIS INDENTURE MADE THIS 18th day of September, 1987,
between AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO
(hereinafter called the "Mortgagor"), a national banking
association, having an address of 33 North LaSalle Street,
Chicago, Illinois, not personally but solely as Trustee for
Berwyn Avenue Associates Incorporated, an Illinois Corporation,
pursuant to a certain Trust Agreement dated August 11, 1987, and
known as Trust No. 103252-07,

A
N
D

DOLLAR BANK, FEDERAL SAVINGS BANK, having its office at Three
Gateway Center, Pittsburgh, Pennsylvania 15222 (hereinafter
called "Mortgagee").

WITNESSETH:

WHEREAS, Mortgagor has executed and delivered to
Mortgagee its Note (the "Note"), bearing even date herewith,
wherein Mortgagor promises to pay to Mortgagee the principal sum
of Four Million Two Hundred Thousand Dollars (\$4,200,000.00) (the
"Loan") in lawful money of the United States of America, advanced
or to be advanced by Mortgagee to Mortgagor in accordance with
the terms of a certain Loan Agreement of even date herewith (the
"Loan Agreement"), with interest thereon at a rate of two percent
(2.0%) above the Prime Rate (as therein defined) at the times, in
the manner and according to the terms and conditions specified in
the Note, all of which are incorporated herein by reference,
which amounts, if not sooner paid, shall become due and payable

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

on April 1, 1989, unless said date is extended to October 1, 1989, in accordance with the terms of the Note. Notwithstanding the foregoing provision, at such time as eight (8) sales agreements with contract deposits in form and content satisfactory to Mortgagee, are secured by Mortgagor and/or Berwyn Avenue Associates Incorporated and assigned to the Mortgagee, the interest rate shall be reduced to equal one and one-half percent (1.5%) above the Prime Rate.

NOW, THEREFORE, in consideration of the indebtedness evidenced by the Note, and to secure the payment to Mortgagee of the principal and interest, and all other sums provided for in the Note and in this Mortgage and Security Agreement ("Mortgage"), according to their respective terms and conditions, and to secure the performance and observance by Mortgagor of all covenants and conditions contained in the Note, and in any renewal, extension or modification thereof, and in this Mortgage and in all other Loan Security Documents, Mortgagor has granted, conveyed, sold, aliened, enfeoffed, released, confirmed and mortgaged, and by these presents does hereby grant, convey, sell, alien, enfeoff, release, confirm and mortgage unto Mortgagee, its successors and assigns, free of any right or equity of redemption, which are hereby waived by Mortgagor, all that certain real estate described in Exhibit "A" attached hereto and made a part hereof.

TOGETHER WITH all of Mortgagor's right, title and interest now owned or hereafter acquired in:

(i) Any and all buildings, streets, alleys, passages, ways, waters, watercourses, rights, liberties, privileges, improvements, hereditaments and appurtenances thereto or in any way appertaining thereto, and all easements, rights-of-way, licenses and covenants now existing or hereafter created for the benefit of Mortgagor or any subsequent owner or tenant of the Mortgaged Premises over ground adjoining the Mortgaged Premises

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

and all rights to enforce the maintenance thereof, and all other rights, liberties, and privileges of whatsoever kind or character, and the reversions and remainders, income, rents, issues and profits arising therefrom, and all the estate, right, title, interest, property, possession, claim and demand whatsoever, at law or in equity, of Mortgagor in and to the Mortgaged Premises or any part thereof.

(ii) All furniture, furnishings, floor coverings, household appliances, office equipment and articles of interior decoration; all screens, awnings, venetian blinds, shutters, shades, storm windows and storm doors; all office, restaurant, bar, kitchen and laundry fixtures, utensils, appliances and equipment; all cleaning, ventilating, refrigerating, vending, incinerating, waste disposal, alarm, fire prevention and fire extinguishing systems, apparatus and equipment; all television, telephone, radio and other musical equipment; all passenger and freight elevators, escalators and machinery and equipment pertaining thereto; all pipes, conduits, pumps, boilers, tanks, motors, engines and furnaces; and all heating, lighting, plumbing, gas-burning, oil-burning, air-conditioning and electrical fixtures, machinery and equipment of whatsoever kind and nature and all other personal property owned by the Mortgagor now or at any time hereafter in or on the Mortgaged Premises and in the building erected thereon used or useful in the operation of the Mortgaged Premises, whether or not attached to the real estate, and all additions to and substitutions and replacements of any of the above-described types and items of property, and any proceeds of any thereof, and with respect to the Mortgaged Premises, all leases and contracts already in existence and those to be created in the future, together with all rents and amounts to become due under existing or future leases, contract rights and accounts receivable; it being mutually agreed that all the aforesaid property owned by the Mortgagor and placed by it on the Mortgaged Premises shall, so far as permitted by law, be deemed to be fixtures and a part of the realty and security for the said

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

indebtedness and covered by this Mortgage, and as to the balance of the property aforesaid and all fixtures, this Mortgage is hereby deemed to be as well a Security Agreement for the purpose of creating hereby a security interest in said property, securing indebtedness for the benefit of Mortgagee, and excluding from such Security Agreement all improvements, buildings, materials, movable fixtures and personal property affixed to or within the Mortgaged Premises which are owned by the tenants of space under occupancy leases, and their respective assignees and/or sublessees, unless such improvements, buildings and materials become Mortgagor's property as a result of a termination of such occupancy lease, in which event the aforesaid shall be subject to the lien hereof.

(iii) All awards and other compensation heretofore and hereafter to be made to Mortgagor for any taking by eminent domain, either permanent or temporary, of all or any part of the said Mortgaged Premises or any easement or appurtenance thereof, including severance and consequential damage and change in grade of streets, said awards and compensation which are hereby assigned to Mortgagee, and upon default hereunder, Mortgagor does hereby authorize Mortgagee as its attorney-in-fact coupled with an interest and authorizes, directs and empowers such attorney, at the option of the attorney, on behalf of the Mortgagor, its successors and assigns, to adjust or compromise the claim for any such award and to collect and receive the proceeds thereof.

All of the above-mentioned real estate, buildings, improvements, fixtures, machinery, equipment, tenements, hereditaments and appurtenances, and other property interests are collectively referred to herein as the "Mortgaged Premises."

TO HAVE AND TO HOLD the Mortgaged Premises hereby granted or mentioned or intended so to be, unto Mortgagee, its successors and assigns, to its or their own use forever, free from all rights and benefits under and by virtue of the Homestead

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

Exemption Laws of the State of Illinois (which rights and benefits are hereby expressly released and waived).

PROVIDED ALWAYS, that if Mortgagor shall promptly pay all sums becoming due under the Note and this Mortgage and shall perform all the other provisions contained herein and in the Note, then the estate hereby granted shall cease, terminate and become void, but otherwise shall remain in full force and effect.

DEFINITIONS:

Agreements of Guaranty and Suretyship - The Guaranty and Suretyship Agreements executed by the Guarantors.

Assignment of Agreements of Sale and Contract Deposits- The Assignment of even date herewith by which the Mortgagor and Berwyn Avenue Associates Incorporated assign to the Mortgagee the agreements of sale between the Mortgagor and/or Berwyn Avenue Associates Incorporated and the individual purchasers of Units comprising the Mortgaged Premises, together with the contract deposits paid thereunder.

Assignment of Construction Contract - The Assignment by Berwyn Avenue Associates Incorporated in favor of Mortgagee of the Construction Contract for the Project, and agreements, licenses and permits relating to the Mortgaged Premises and the construction, use and operation of the Improvements.

Assignment of Leases and Rents - The assignment of even date herewith by which Mortgagor and Berwyn Avenue Associates Incorporated assign to Mortgagee all of the Leases to the Mortgaged Premises and the rents payable thereunder.

Commitment - The letter of commitment to make the Loan from Mortgagee to Berwyn Avenue Associates Incorporated dated

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

August 13, 1987, as accepted by letter from Berwyn Avenue Associates Incorporated to Mortgagee dated August 27, 1987.

Escrow Agreement for Letter of Credit - The Escrow Agreement for Letter of Credit executed by Berwyn Avenue Associates Incorporated and Mortgagee of even date herewith.

Guaranties of Completion and Payment of the Costs of the Project - The Guaranties of Completion and Payment of the Costs of the Project executed by the Guarantors as identified therein of even date herewith.

Guarantors - as defined in the Note.

Guaranty of Payment and Performance Obligations by Berwyn Avenue Associates Incorporated - The guaranty and suretyship agreement executed by Berwyn Avenue Associates Incorporated in connection with the Loan.

Improvements - As defined in the Loan Agreement.

Leases - Any and all written leases, subleases, licenses, concessions, or grants of other possessory interests in any part of the Mortgaged Premises, now or hereafter in force, and the rents and profits therefrom.

Letter of Credit - The Letter of Credit provided by Berwyn Avenue Associates Incorporated in favor of the Mortgagee in accordance with the terms of the Commitment.

Loan - As defined in the Note.

Loan Security Documents - All documents and items reasonably considered by Mortgagee to be related to the Loan, in form and substance satisfactory to Mortgagee, including but not limited to (a) the Note; (b) this Mortgage and Security

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

Agreement; (c) the Loan Agreement; (d) the Assignment of Leases and Rents; (e) the Financing Statements; (f) the Guaranty of Payment and Performance Obligations by Berwyn Avenue Associates Incorporated; (g) the Agreements of Guaranty and Suretyship; (h) the Guaranties of Completion and the Payment of the Costs of the Project; (i) the Commitment; (j) the Assignment of Agreements of Sale and Contract Deposits; (k) the Escrow Agreement for Letter of Credit; (l) the Assignment of Construction Contract; (m) the Assignment of Architect Agreement and Plans and Specifications; and (n) all other miscellaneous agreements and certifications called for in the Commitment.

AND MORTGAGOR HEREBY FURTHER COVENANTS AND AGREES AS FOLLOWS:

1. Warranty of Title. Mortgagor represents that it presently possesses an unencumbered fee simple title to the Mortgaged Premises, except for those title objections not removed from the Loan Title Insurance Policy issued by Commonwealth Land Title Insurance Company to Mortgagee insuring the lien of this Mortgage, and that this Mortgage is a valid and enforceable first lien on the Mortgaged Premises. Mortgagor shall preserve such title and the validity and priority of the lien hereof and shall forever defend the same to Mortgagee, its successors and assigns, against the claims of any persons and parties whomsoever.

2. Payment of Note. Mortgagor shall pay to Mortgagee or any subsequent holder of the Note the principal and interest accrued on the entire outstanding principal indebtedness due under the Note, including all sums now or hereafter due Mortgagee under the terms hereof and of the Note, together with all interest thereon and all other sums owing under the Note, punctually as and when the same shall become due by the terms thereof and hereof. Mortgagor will observe and perform all of the terms, provisions, conditions, covenants and agreements on

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

the part of Mortgagor to be observed and performed under the Note and this Mortgage.

3. Payment of Taxes and Other Charges. Mortgagor shall, prior to the date on which any interest or penalties shall commence to accrue thereon, cause to be paid and discharged, and shall furnish to Mortgagee proper receipts for all taxes, assessments, water and sewer rents and charges, and all other license or permit fees, levies, and governmental charges, general or special, ordinary or extraordinary, foreseen or unforeseen, of any kind and nature whatsoever, which are or may have been, or may hereafter be, charged, assessed, levied, confirmed or imposed upon or against the Mortgaged Premises, or any part thereof, by any lawful authority, or which may become a lien thereon, unless the same shall have been fully paid to Mortgagee as provided in Section 7 herein. Mortgagor shall not suffer, and shall promptly cause to be paid and discharged, any lien or charge whatsoever which by any present or future law may be or become superior to, or on a parity with, this Mortgage either in lien or in distribution out of the proceeds of any judicial sale of the Mortgaged Premises, or any part thereof, including reasonable attorney's fees for collection hereinafter provided for. Mortgagor will cause to be paid, when due, all charges for utilities on the Mortgaged Premises, whether public or private, and all rents and ground rents, if any, with respect to the Mortgaged Premises.

Notwithstanding the foregoing, Mortgagor may in good faith contest, by proper legal proceedings, the validity or amount of any such tax or charge, provided (a) a default, as defined in Section 20 hereof, has not occurred; (b) Mortgagor provides Mortgagee security satisfactory to Mortgagee assuring the payment of such contested tax or charge and any additional charge, penalty or expense which may arise from or be incurred as a result of such contest; (c) such contest operates to suspend collection and is maintained and prosecuted with diligence; and

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

(d) Mortgagor shall pay such contested tax or charge and all costs and penalties, if any, and shall deliver to Mortgagee evidence acceptable to Mortgagee of such payment promptly, if such contest is terminated or discontinued adversely to Mortgagor, and in any event at least thirty days before the date any of the Mortgaged Premises may be sold or otherwise transferred because of non-payment of tax or charge.

Subject to said right of Mortgagor to contest such tax or charge and the expiration of any notice and grace period as provided in Section 20 without a cure, nothing herein shall affect any right or remedy of Mortgagee under this Mortgage or otherwise to pay any tax or charge and to add the amount so paid to the outstanding principal balance of the Note.

4. Insurance. Mortgagor agrees to keep any buildings, structures, improvements and fixtures insured at all times throughout the term of this Mortgage (including any period or periods of time during which any buildings, structures and improvements are in the course of remodeling or construction) and to furnish the following to Mortgagee:

(a) Policies of insurance against loss or damage by fire, lightning, windstorm, hail, explosion, vandalism, malicious mischief and damage from aircraft and vehicles, and smoke damage from such other hazards as are presently included in standard "Extended Coverage" endorsements in Chicago, Illinois. The amount of such insurance shall be equal to the greater of 100% of the full replacement cost of the buildings, structures, improvements and fixtures without deduction for depreciation, or Four Million Two Hundred Thousand Dollars (\$4,200,000.00). Such policies shall contain a replacement value endorsement, and shall provide for co-insurance only as Mortgagee may approve. During the course of any construction of the Improvements, builder's completed value risk insurance against "all risks of physical loss", in non-reporting form, covering the total value of work

875126E1

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

performed and equipment, supplies and materials furnished with respect to the Improvements.

(b) Flood hazard insurance as required by law or evidence that the Mortgaged Premises are not located in a flood hazard area.

(c) Comprehensive public liability insurance against claims for bodily injury or death and property damage occurring upon, in or about the Mortgaged Premises to afford protection to the limit of not less than One Million Dollars (\$1,000,000.00).

(d) Workmen's compensation insurance for all contractors or employees employed on or with respect to any of the Mortgaged Premises in an amount and coverages as required by law.

(e) Such other insurance on the Mortgaged Premises, or any replacements or substitutions therefor, or additions thereto, and in such amounts as may from time to time be reasonably required by Mortgagee against other insurable hazards or casualties which at the time are commonly insured against in the case of premises similarly situated.

All insurance shall be subject to the reasonable approval of Mortgagee as to insurance companies, amounts, contents and form of policies and expiration dates, shall be placed with companies having a Best's Financial Rating of "A" or better and a size class rating of VII (7) or larger and shall include a New York Standard or other standard mortgagee clause in favor of and satisfactory to Mortgagee. Such policies shall not be cancelled or otherwise terminated without at least twenty (20) days' prior written notice to Mortgagee, except if such cancellation is due to nonpayment of premium in which event the Mortgagee shall receive at least ten (10) days prior written notice. The Mortgagor shall further cause to be provided to

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

Mortgagee a thirty (30) day written notice of the expiration date of any insurance policy.

Mortgagor will deliver the originals of all such policies (or certificates evidencing insurance if the policies are master policies) to Mortgagee, and, not less than twenty (20) days prior to the expiration date of each such policy, will deliver to Mortgagee a renewal policy or policies (or certificates evidencing insurance if the policies are master policies) marked "premium paid" or accompanied by other evidence of payment satisfactory to Mortgagee. Mortgagor will not permit any condition to exist on the Mortgaged Premises which would wholly or partially invalidate the insurance thereon.

In the event of the occurrence of any loss or damage to the Mortgaged Premises, Mortgagor will give immediate written notice thereof to Mortgagee, and Mortgagee may make proof of loss thereof if not made promptly by Mortgagor. In the event Mortgagor does not proceed diligently to adjust and compromise any claims under such insurance, Mortgagee may adjust and compromise such claims and collect and receive the proceeds thereof and endorse drafts and Mortgagee is hereby irrevocably appointed attorney-in-fact of Mortgagor for such purposes. In such instance, each insurance company concerned is hereby authorized and directed to make payment under such policies, including return of unearned premiums, directly to Mortgagee instead of to Mortgagor and Mortgagee jointly, and Mortgagor irrevocably appoints Mortgagee as Mortgagor's attorney-in-fact to endorse any draft therefor.

Mortgagee shall have the right, at its election to retain and apply the proceeds of any casualty insurance to reduction of the indebtedness secured hereby, and/or to retain and apply the proceeds of any insurance on account of the payment of the regular monthly installments of interest as they fall due, month by month, or to restoration or repair of the property

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

damaged. If Mortgagee receives proceeds of rent insurance and/or business interruption insurance beyond those required to be applied for the current month, Mortgagee may retain such additional proceeds in an interest bearing escrow account for the account of Mortgagor, and so apply such proceeds on a monthly basis; provided that such proceeds not needed to be applied to keep Mortgagor current and not in default during the reasonably estimated period of time when the rent from the Mortgaged Premises will be inadequate to provide Mortgagor with sufficient funds with which to pay Mortgage the amounts falling due each month shall be paid over to Mortgagor to meet the other expenses of the Mortgaged Premises.

Mortgagor shall promptly comply with and conform to (a) all provisions of each insurance policy and (b) all requirements of the insurers thereunder applicable to Mortgagor or any of the Mortgaged Premises, or to the use, manner of use, occupancy, possession, operation, maintenance, alteration or repair of any of the Mortgaged Premises, even if such compliance necessitates structural changes or improvements or results in interference with the use or enjoyment of any of the Mortgaged Premises. Mortgagor shall not change the present use of any of the Mortgaged Premises in any manner which would permit the insurer to cancel or increase the premium for any insurance policy.

If Mortgagee shall acquire title to the Mortgaged Premises either by virtue of a deed in lieu of foreclosure, or a judicial sale thereof pursuant to proceedings under the Note or this Mortgage, then all of Mortgagor's estate, right, title and interest in and to all such policies, including unearned premiums thereon and the proceeds thereof, shall vest in Mortgagee.

If Mortgagor shall fail to procure, pay for and deliver to Mortgagee any policy or policies of insurance and/or renewals thereof as in this Section 4 required, Mortgagee, at its option, but without obligation to do so, may procure such insurance and

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

pay the premiums therefor, and Mortgagor will repay to Mortgagee on demand any premiums so paid, with interest, and the same shall be secured by this Mortgage.

Mortgagor shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained under this Section 4, unless Mortgagee is included thereon as a named insured with losses payable to Mortgagee under a standard mortgagee endorsement. Mortgagor shall immediately notify Mortgagee whenever any such separate insurance is taken out, specifying the insurer and full particulars as to the policies evidencing the same.

5. Condemnation. In the event of any condemnation or taking of any part of the Mortgaged Premises by eminent domain, alteration of the grade of any street, or other injury to or decrease in the value of the Mortgaged Premises by any public or quasi-public authority or corporation or by settlement with any body having the power of eminent domain, all proceeds (that is, the award or agreed compensation for the damages sustained) shall be applied first to payment of the indebtedness secured hereby, if Mortgagee so elects. No settlement for the damages sustained shall be made by Mortgagor without Mortgagee's prior written approval which shall not be unreasonably withheld. Receipt by Mortgagee of any proceeds less than the full amount of the then outstanding debt shall not alter or modify Mortgagor's obligation to continue to pay the installments of principal, interest and other charges specified in the Note and herein. All the proceeds shall be applied in the order and in the amounts that Mortgagee, in Mortgagee's sole discretion, may elect, to the payment of principal (whether or not then due and payable), interest or any sums secured by this Mortgage, or toward payment to Mortgagor, on such reasonable terms as Mortgagee may specify, to be used for the sole purpose of altering, restoring or rebuilding any part of the Mortgaged Premises which may have been altered, damaged or

87512651

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

destroyed as a result of the taking, alteration of grade or other injury to the Mortgaged Premises.

If the amount of the initial award of damages for the condemnation is insufficient to pay in full the indebtedness secured hereby with interest and other appropriate charges, Mortgagee shall have the right to prosecute to final determination or settlement an appeal or other appropriate proceedings in the name of Mortgagee or Mortgagor, for which Mortgagee is hereby authorized as attorney-in-fact for Mortgagor, which appointment, being for security, is irrevocable. In that event, the expenses of the proceedings, including reasonable counsel fees, shall be paid first out of the proceeds, and only the excess, if any, paid to Mortgagee shall be credited against the amounts due under this Mortgage.

Nothing herein shall limit the rights otherwise available to Mortgagee, at law or in equity, including the right to intervene as a party in any condemnation proceeding.

No application of condemnation proceeds to the payment of the obligation secured by the Note and Mortgage shall postpone any of the current installments of principal or interest becoming due under such Note until the principal and all interest due thereunder is paid in full, but each such application shall be a prepayment without premium.

6. Additions, Alterations, Removals and Repairs.

Mortgagor shall not make additions and alterations to the Mortgaged Premises except as provided and contemplated by the Loan Agreement and the Plans and Specifications without prior written consent of Mortgagee. Any additions or alterations shall be subject to the lien of this Mortgage.

Mortgagor shall not cause or permit any building, structure or improvement or other property now or hereafter

875123661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

covered by the lien of this Mortgage and comprising part of the Mortgaged Premises to be removed or demolished in whole or in part, or any fixture comprising part of the Mortgaged Premises to be removed, severed or destroyed, without the prior written consent of Mortgagee. Notwithstanding the foregoing, Mortgagor may remove any fixture, and it shall thereafter be free of any security interest or lien created hereby, on condition that simultaneously with, or prior to such removal, such fixture shall be replaced with other property to perform the function of the property removed and of a value at least equal to that of the replaced property and free from any title retention or security agreement or other encumbrance. By such removal and replacement, Mortgagor shall be deemed to have subjected such equipment to the lien of this Mortgage. Mortgagor will not abandon or cause or permit any waste to the Mortgaged Premises.

Throughout the term of this Mortgage, Mortgagor, at its sole cost and expense, will take good care of the Mortgaged Premises and will keep the same in good order and condition, and make all necessary repairs thereto, interior and exterior, structural and nonstructural, ordinary and extraordinary, and unforeseen and foreseen. All repairs and construction work on the Mortgaged Premises made by Mortgagor shall be done in a good workmanlike manner using materials of first rate quality and class. The necessity for and adequacy of repairs to the buildings and improvements pursuant to this Section 6 hereof shall be measured by the standard which is appropriate for structures of similar construction and class, provided that Mortgagor shall in any event make all repairs necessary to avoid any structural damage or injury to the buildings and improvements and to keep the buildings and improvements in a proper condition for their intended uses.

Mortgagor will permit the Mortgagee and Mortgagee's representatives to enter the Mortgaged Premises at reasonable times to inspect the same. In case of any default under this

87512561

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

8-1

UNIT	# BEDROOMS	S.F.	INTRODUCTORY SALES PRICE	PRICE INCREASE #1	PRICE INCREASE #2	PRICE INCREASE #3	PRICE/S. F.	MINIMUM SALES PRICE
A	3	3,209	\$ 399,500	-	-	-	\$124.49	\$399,500
B	3	2,988	\$ 379,500	-	-	-	\$121.01	\$379,500
C	3	2,832	\$ 319,500	-	-	-	\$112.82	\$319,500
D	3	2,732	\$ 299,500	-	-	-	\$109.63	\$299,500
D	3	2,732	\$ 299,500	-	-	-	\$109.63	\$299,500
D	3	2,732	-	\$ 324,500	-	-	\$118.78	\$324,500
D	3	2,732	-	\$ 324,500	-	-	\$118.78	\$324,500
E	3	2,732	-	\$ 349,500	-	-	\$127.93	\$349,500
E	3	2,732	-	\$ 349,500	-	-	\$127.93	\$349,500
E	2	2,309	\$ 249,500	-	-	-	\$108.06	\$249,500
E	2	2,309	\$ 249,500	-	-	-	\$108.06	\$249,500
E	2	2,309	-	\$ 269,500	-	-	\$116.72	\$269,500
E	2	2,309	-	\$ 269,500	-	-	\$116.72	\$269,500
E	2	2,309	-	\$ 289,500	-	-	\$125.38	\$279,600
E	2	2,309	-	\$ 289,500	-	-	\$125.38	\$279,600
E	2	2,309	-	-	\$ 309,500	-	\$134.04	\$309,500
E	2	2,309	-	-	\$ 309,500	-	\$134.04	\$309,500
15		41,584	\$2,191,500	\$1,188,000	\$1,278,000	\$ 309,500		

Total Sales \$4,972,000
 Average Sales Price \$310,750
 Average Sales per S.F. \$119.57

PROPERTY RECORDING
 DEPT. OF RECORDING
 1111 TRIN 0147 04/18/97 16:52:00
 08882 # 1 01 01 1248 8 1
 COOK COUNTY RECORDER
 \$60.00

87512661

EXHIBIT "D"

87512661

100 MAIL 5900
lower
MAIL

Property of Cook County Clerk's Office

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

Section 6, Mortgagee may at its option enter the Mortgaged Premises to protect, restore or repair any part thereof, but Mortgagee shall be under no obligation to do so. Mortgagor will repay to Mortgagee on demand any sums paid by Mortgagee to protect, restore or repair any part of the Mortgaged Premises, with interest thereon, and, until repaid, such sums and interest shall be added to the principal sum secured by this Mortgage.

Throughout the term of this Mortgage, Mortgagor, at its sole cost and expense, shall promptly comply with all present and future laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments, courts, departments, commissions, boards and officers, and national or local Boards of Fire Underwriters, or any other body exercising functions similar to those of any of the foregoing, foreseen or unforeseen, ordinary as well as extraordinary, which may be applicable to the Mortgaged Premises, the maintenance and use thereof, whether or not such law, ordinance, order, rule, regulation or requirement shall necessitate structural changes or improvements, or the removal of any encroachments or projections, ornamental, structural or otherwise, onto or over property contiguous or adjacent thereto. Mortgagor will comply with all orders and notices of violation thereof issued by any governmental authority. Mortgagor will pay all license fees and similar municipal charges for the use of the Mortgaged Premises and the other areas now or hereafter comprising part thereof or used in connection therewith and will not, unless so required by any governmental agency having jurisdiction, discontinue use of the Mortgaged Premises without prior written consent of Mortgagee.

7. Right to Remedy Defaults. In the event of Mortgagor's failure to pay the taxes, water and sewer rents, charges, claims, assessments, liens or encumbrances described in Section 3 hereof, or to furnish and pay for the insurance required in Section 4 hereof, or to keep the Mortgaged Premises

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

in good condition and repair as provided in Section 6 hereof, Mortgagee may, at its option, subject to Mortgagor's rights as set forth in Sections 3, 4 and 6 hereof, pay any or all such items, together with penalties and interest thereon and procure and pay for such insurance and repairs, and Mortgagee may at any time and from time to time advance such additional sum or sums as Mortgagee in its sole discretion may deem necessary to protect the security of this Mortgage. All such sums to be paid or advanced by Mortgagee shall immediately and without demand be repaid by Mortgagor, together with interest thereon at a rate which shall be three percent (3.0%) higher than the then effective rate provided in the Note and shall be added to the principal indebtedness secured by this Mortgage.

In the event of default hereunder, at Mortgagee's option, Mortgagor shall establish an escrow reserve with Mortgagee for the payment of hazard insurance premiums, real estate taxes, water rents, sewer rents and/or other municipal assessments and a replacement reserve, if applicable. Thereafter, Mortgagor will pay to Mortgagee contemporaneously with each monthly payment of interest, principal or principal and interest, a sum equal to one-twelfth (1/12th) of the hazard insurance premiums, real estate taxes, water rents, sewer rents, payments in lieu thereof, special assessments, if any, and any other tax assessment, lien, claim or encumbrance which may at any time be or become a lien on the Mortgaged Premises prior to, or on a parity with, the lien of this Mortgage so as to enable Mortgagee to pay the same at least thirty (30) days before they become due. If special assessments against the Mortgaged Premises may be paid in installments and Mortgagor elects to do so, the monthly payments to Mortgagee for such special assessments shall be one-twelfth (1/12th) of the current annual installments.

No amounts so paid shall be deemed to be trust funds but may be commingled with general funds of Mortgagee, and no

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

interest shall be payable thereon. If, pursuant to any provision of this Mortgage, the whole amount of said principal debt remaining or any installment of interest, principal or principal and interest becomes due and payable, Mortgagee shall have the right, at its election, to apply any amounts so held against all or any part of the indebtedness secured hereby and interest thereon or in payment of the premiums or payments for which the amounts were deposited. If the taxes, assessments, levies, charges or fees required to be paid pursuant to Section 3 hereof shall exceed the estimate therefor, Mortgagor shall upon demand forthwith make good the deficiency. Mortgagor will furnish to Mortgagee tax bills in sufficient time to enable Mortgagee to pay such taxes, assessments, levies, charges and fees before interest and penalties accrue thereon.

8. Leases; Management.

(a) Mortgagor hereby represents that there are no leases or subleases or agreements to lease or sublease all or any part of the Mortgaged Premises (the "Leases") now in effect, except those certain leases assigned by Mortgagor to Mortgagee pursuant to an Assignment of Leases of even date herewith. Mortgagor covenants and agrees that all future Leases affecting the Mortgaged Premises shall be subject to review and approval by Mortgagee and will be subordinate to the lien of this Mortgage. Notwithstanding anything to the contrary herein contained, in the event Mortgagee approves of any lease upon the request of Mortgagor, Mortgagee will execute a Non-disturbance and Attornment Agreement in form and content reasonably acceptable to Mortgagee.

Mortgagor shall promptly (i) perform all of the provisions of the Leases on the part of the landlord thereunder to be performed; (ii) enforce all of the material provisions of the Leases on the part of the tenants thereunder to be performed; (iii) appear in and defend any action or proceeding arising

87512564

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

under, growing out of or in any manner connected with the Leases or the obligations of Mortgagor as landlord or of the tenants thereunder; and (iv) deliver to Mortgagee, within ten (10) days after a request by Mortgagee, but not more frequently than once in each year unless Mortgagor is in default hereunder, a written statement containing the names of all tenants, the terms of all Leases and the spaces occupied and rentals payable thereunder, and a statement of all Leases which are then in default, including the nature and magnitude of the default.

In the event of default by Mortgagor and the enforcement by Mortgagee of any remedy under this Mortgage, the tenant under each Lease which is subordinate to this Mortgage shall at Mortgagee's request attorn to Mortgagee or any other person succeeding to the interest of Mortgagee as a result of such enforcement and shall recognize Mortgagee or such successor in interest as landlord under the Lease without change in the provisions thereof; provided, however, that Mortgagee or such successor in interest shall not be bound by (i) any payment of an installment of rent or additional rent which may have been made more than thirty (30) days before the due date of such installment or sixty (60) days before the end of the period covered by such installment, or (ii) any amendment or modification to the Lease made without the written consent of Mortgagee or such successor in interest. The failure to make any such tenants parties defendant to any foreclosure proceedings and to foreclose their rights will not be, nor be asserted by Mortgagor to be, a defense to any proceedings instituted by Mortgagee to collect the sums secured hereby and by the Note or to collect any deficiency remaining unpaid after a foreclosure sale of the Mortgaged Premises.

No existing or future Lease for any portion of the Mortgaged Premises shall be entered into, cancelled or surrendered, assigned or modified without Mortgagee's prior written consent. Further, Mortgagor shall not permit or suffer

87512561

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

an assignment or sublease of any Lease without Mortgagee's prior written consent. Mortgagor shall not accept payment of rent more than one (1) month in advance without Mortgagee's prior written consent. Mortgagor shall notify the Mortgagee immediately of any default asserted by any tenant. If Mortgagor fails to cure such default on its part, as landlord in any of the Leases, then Mortgagor expressly authorizes Mortgagee, at its option, to cure such default in order to prevent termination of any Lease by any tenant. As used herein, "default" is a default by Mortgagor or Berwyn Avenue Associates Incorporated under a Lease which default affords a tenant the right to cancel such Lease or to claim any diminution of or offset against future rents under a Lease.

(b) Mortgagor and/or Berwyn Avenue Associates Incorporated shall not enter into any agreement for the management, operation, sale or marketing of all or part of the Mortgaged Premises, or modify any existing agreement, without (i) furnishing to Mortgagee a copy of the management agreement together with such information with respect to the managing party as Mortgagee may reasonably request, (ii) receiving Mortgagee's prior written consent thereto, such consent not to be unreasonably withheld, (iii) assigning to Mortgagee all interest and rights of Mortgagor and/or Berwyn Avenue Associates Incorporated under the management agreement, and (iv) causing the management agent to execute a subordination and attornment agreement in favor of Mortgagee, and in form and content satisfactory to Mortgagee.

9. Financial Reports; Required Notices.

During the term of the Loan, and at such intervals as Mortgagee may reasonably prescribe, (but not more frequently than annually), Mortgagor, Berwyn Avenue Associates Incorporated and the Guarantors shall furnish or cause to be furnished to Mortgagee the following documents and data certified to be true

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

and correct by Mortgagor, Berwyn Avenue Associates Incorporated and the Guarantors:

(a) Balance sheets and profit and loss statements within ninety (90) days following the close of each fiscal year of Berwyn Avenue Associates Incorporated, and such additional information as Mortgagee may reasonably request, all data being prepared according to generally accepted accounting principles consistently applied.

(b) A statement of net worth and income tax returns for each of the Guarantors, and such additional information as Mortgagee shall reasonably request, in such form and content as may be reasonably required by Mortgagee, within ninety (90) days of the end of each calendar year.

(c) If applicable, a statement of gross income and expenses for the preceding fiscal year relating to the operation of the Mortgaged Premises by Mortgagor and/or Berwyn Avenue Associates Incorporated and a balance sheet as of the end of such fiscal year, within ninety (90) days following the close of such fiscal year, in reasonable detail prepared in accordance with generally accepted accounting principals consistently applied.

Mortgagor agrees to make the books and accounts relating to the Mortgaged Premises available for inspection by Mortgagee, or its representatives, upon request at any reasonable time. Mortgagor hereby confirms that its fiscal year is the calendar year.

(d) Mortgagor and/or Berwyn Avenue Associates Incorporated shall notify Mortgagee promptly of the occurrence of any of the following:

(i) a fire or other casualty causing damage to the Mortgaged Premises;

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

(ii) receipt of notice of eminent domain proceedings or condemnation of all or any part of the Mortgaged Premises;

(iii) receipt of notice from any governmental authority relating to the structure, use or occupancy of the Mortgaged Premises;

(iv) receipt of any default or termination notice from any tenant of all or any portion of the Mortgaged Premises, excluding the normal expiration of any Leases;

(v) receipt of any default or acceleration notice from the holder of any lien or security interest in the Mortgaged Premises or any portion thereof; or

(vi) commencement of any material litigation affecting the Mortgaged Premises.

10. Additional Loans. The security of this Mortgage shall extend to and cover any additional loans or advances made by Mortgagee to Mortgagor at any time or times hereafter.

11. No Additional or Secondary Financing. Without the prior written consent of Mortgagee, Mortgagor shall not create or cause or permit to exist any lien on, or security interest in the Mortgaged Premises, including any furniture, fixtures, appliances, equipment, or other items of personal property owned by Mortgagor which are intended to be or become part of the Mortgaged Premises, and shall not incur any secured indebtedness which is secured by the Mortgaged Premises for money borrowed to purchase the Mortgaged Premises or any part thereof, other than the indebtedness secured hereby, without prior written consent of the Mortgagee.

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

Mortgagor shall promptly discharge, at Mortgagor's cost and expense, all monetary liens, encumbrances and charges upon the Mortgaged Premises, or any part thereof or interest therein; provided, however, that Mortgagor shall have the right to contest in good faith the validity of any such lien, encumbrance or charge if Mortgagor shall obtain a bond or other security satisfactory to Mortgagee in such amount as Mortgagee shall reasonably require, but not more than one hundred fifty percent (150%) of the amount of the claim, and provided further that Mortgagor shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged. If Mortgagor shall fail to discharge any such lien, encumbrance or charge, or alternatively, cause a title insurance company acceptable to Mortgagee to issue title insurance to Mortgagee without exception for such lien, encumbrance or charge, then, in addition to any other right or remedy of Mortgagee, Mortgagee may, but shall not be obligated to, discharge the same, either by paying the amount claimed to be due, or by procuring the discharge of such lien by depositing in court a bond or the amount claimed or otherwise giving security for such claim, or in such manner as is or may be prescribed by law.

Mortgagor shall have no right to permit the holder of any subordinate mortgage or other subordinate lien, whether or not consented to by Mortgagee, to terminate any Lease of all or a portion of the Mortgaged Premises whether or not such Lease is subordinate (whether by law or the terms of such lease or a separate agreement) to the lien of this Mortgage without first obtaining the prior written consent of Mortgagee. The holder of any subordinate mortgage or other subordinate lien shall have no such right, whether by foreclosure of its mortgage or lien or otherwise, to terminate any such Lease, whether or not permitted to do so by Mortgagor or as a matter of law, and any such attempt to terminate any such Lease shall be ineffective and void.

87532661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

12. Transfer of Title. Any sale, change, transfer, liquidation, assignment or diminishment of the ownership of Mortgagor and/or Berwyn Avenue Associates Incorporated in the Mortgage Premises or any part thereof, or any interest or title therein, legal or equitable, or any change in the shareholders of Berwyn Avenue Associates Incorporated or the sale or assignment of all or substantially all of the assets of Berwyn Avenue Associates Incorporated, or the sale, assignment or transfer of any stock of Berwyn Avenue Associates Incorporated, or any transfer of the benefits of the Loan, direct or indirect, or any such attempted change, transfer, liquidation, assignment or diminishment of ownership or transfer of the benefits of the Loan, without Mortgagee's prior written approval, including such conditions as Mortgagee may impose shall be an event of default hereunder and the Loan, at Mortgagee's option, shall be deemed to have matured in accordance with its terms, and the entire outstanding balance of the Loan shall be immediately due and payable without further notice.

Notwithstanding the foregoing, the sale or transfer of legal or equitable title to individual townhome residences ("Units") to be constructed upon the Mortgaged Premises in accordance with the Loan Agreement shall be excluded from the aforesaid prohibition against transfer of title to the Mortgaged Premises provided that a Release Fee in accordance with the provisions of Paragraph 37 of this Mortgage is paid to Mortgagee.

It is expressly understood and agreed that Mortgagee may condition any required consent to a transfer of the benefits of the loan evidenced by the Note and secured by this Mortgage upon the fulfillment of certain requirements including, but not limited to, the following:

(i) that the proposed purchaser meet Mortgagee's then-existing credit and other standards with respect to similar loans,

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

(ii) that the purchaser specifically assume the obligations to be performed under the Note and this Mortgage,

(iii) that reasonable fees be paid to Mortgagee at the time of transfer,

(iv) that the interest rate payable under the Note be increased,

(v) that a new policy of mortgagee's title insurance be obtained,

(vi) that new financing statements be filed,

(vii) that the proposed purchaser agree to restrictions on further transfers, and

(viii) that endorsements to existing policies or new hazard and other insurance policies be obtained.

It is further understood and agreed that Mortgagee shall not consent to (i) any transfer of less than the entire Mortgaged Premises, except a transfer of an individual Unit for which a release fee has been paid as aforesaid, or (ii) any transfer in any form, including but not limited to a sale and leaseback, which has the effect of creating additional expense to or charges against the Mortgaged Premises. No encumbrance, subordinate mortgage or junior lien may be created without the express written consent of Mortgagee.

13. Security Agreement. This Mortgage constitutes a security agreement under the Uniform Commercial Code of the State of Illinois and creates a security interest in all that property (and the proceeds thereof) included in the Mortgaged Premises which constitutes "personal property". Mortgagor shall execute, deliver, file and refile any financing statements, continuation

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

statements, or other security agreements Mortgagee may require from time to time to confirm the lien of this Mortgage with respect to such property. Without limiting the foregoing, Mortgagor hereby irrevocably appoints Mortgagee Attorney-in-Fact for Mortgagor to execute, deliver and file such instruments for and on behalf of Mortgagor. Notwithstanding any release of any or all of that property included in the Mortgaged Premises which constitutes "real property", any proceedings to foreclose this Mortgage or its satisfaction of record, the terms hereof shall survive as a security agreement with respect to the security interest created hereby and referred to above until the repayment or satisfaction in full of the obligations of Mortgagor as are now or hereafter evidenced by the Note. Mortgagee may exercise any and all remedies of a secured party available to it under the Uniform Commercial Code of Illinois with respect to such property, and it is expressly agreed in accordance with the provisions of the Uniform Commercial Code of Illinois that ten (10) days' notice by Mortgagee to Mortgagor shall be deemed to be reasonable notice under the provisions of the Uniform Commercial Code of Illinois requiring such notice, provided, however, that Mortgagee may, at its option, dispose of the collateral in accordance with Mortgagee's rights and remedies with respect to real property pursuant to the provisions of this Mortgage and Security Agreement in lieu of proceeding under the Uniform Commercial Code of Illinois.

14. Corporate Existence and Taxes. Berwyn Avenue Associates Incorporated shall keep in effect its existence and rights as a corporation under the laws of its state of incorporation and comply with all statutory requirements as necessary to keep in effect its right to own, lease, mortgage and encumber the Mortgaged Premises. For all periods during which title to the Mortgaged Premises or any part thereof shall be held by a corporation or association subject to corporate taxes or taxes similar to corporate taxes, such entities shall file returns for such taxes with the proper authorities, bureaus or

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

departments and it shall pay, when due and payable and before interest or penalties are due thereon, all taxes owing by it to the United States, to such state of incorporation and to the state in which the Mortgaged Premises is situated and any political subdivision thereof, and shall produce for Mortgagee receipts showing payment of any and all such taxes, charges or assessments prior to the last dates upon which such taxes, charges or assessments are payable without interest or penalty charges, and within ten (10) days of receipt thereof or within the applicable time deadline, whichever time period is longer, all settlements, notices of deficiency or overassessment and any other notices pertaining to the its tax liability, which may be issued by the United States, such state of incorporation, the state in which the Mortgaged Premises are situated and any political subdivision thereof.

15. Taxes. In the event of the passage after the date of this Mortgage of any law of the State of Illinois, the Commonwealth of Pennsylvania or any other governmental entity, changing in any way the laws now in force for the taxation of mortgages, or debts secured thereby, for federal, state or local purposes (except federal or state income taxes or bank shares tax), or the manner of the operation of any such taxes, so as to affect the interest of Mortgagee, then and in such event, Mortgagor shall bear and pay the full amount of such taxes.

16. Zoning and Environmental Laws. Mortgagor covenants and represents that all applicable zoning laws, ordinances and regulations affecting the Mortgaged Premises permit the construction, use and occupancy of the Improvements as contemplated by the Loan Security Documents and Mortgagor further covenants and represents to comply with all environmental and ecological laws, ordinances and regulations affecting the Mortgaged Premises.

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

17. Inspection. Mortgagee and any persons authorized by Mortgagee shall have the right at any time, upon reasonable notice to Mortgagor, to enter the Mortgaged Premises at a reasonable hour to inspect and photograph its condition and state of repair.

18. Advance by Mortgagee. Upon the occurrence of an event of default (or, in the case of an emergency materially threatening the Mortgaged Premises or Mortgagee's rights therein, the occurrence of an event which if uncured will constitute an event of default with the passage of time), Mortgagee may (but is not obligated to) pay any sum or perform any other obligation for the account of Mortgagor which Mortgagor has failed to pay or perform, and sums so spent by Mortgagee shall be added to the principal sum secured by this Mortgage and be repayable by Mortgagor on demand, and shall bear interest at the Default Rate as specified in the Note.

19. Extensions; Release of Security. The granting of an extension or extensions of time by Mortgagee with respect to the performance of any obligation of the Mortgagor under this Mortgage or the Note, or the taking of any additional security, or the waiver by Mortgagee or failure by Mortgagee to enforce any provision of this Mortgage or the Note or to declare a default with respect thereto, shall not operate as a waiver of any subsequent default or defaults or affect the right of Mortgagee to exercise all rights or remedies stipulated herein and therein.

Mortgagee, without notice, and without regard to the consideration, if any, paid therefor, and notwithstanding the existence at that time of any inferior liens thereon, may release any part of the security described herein or any person liable for any indebtedness secured hereby without affecting the priority of the lien of this Mortgage to the full extent of the indebtedness remaining unpaid hereunder. Mortgagee may agree with any party obligated on said indebtedness or having any

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

interest in the security described herein to extend the time for payment of any part or all of the indebtedness secured hereby. Such agreement shall not, in any way, release or impair the lien hereof, but shall extend the lien hereof as against the title of all parties having any interest in said security which interest is subject to said lien.

In the event Mortgagee (a) releases, as aforesaid, any part of the security described herein or any person liable for any indebtedness secured hereby, or (b) grants an extension of time on any payments of the indebtedness secured hereby, or (c) takes other or additional security for the payment thereof, or (d) waives or fails to exercise any right granted herein or in the Note, said act or omission shall not release Mortgagor, Berwyn Avenue Associates Incorporated, subsequent purchasers of the Mortgaged Premises or any part thereof, or the makers or the Guarantors of this Mortgage or of the Note, from any covenant of this Mortgage or of the Note, nor preclude Mortgagee from exercising any right, power or privilege herein granted or intended to be granted in the event of any other default then made or any subsequent default.

20. Events of Default. The following shall constitute events of default hereunder:

(a) if default shall be made in the payment of any sum required to be paid under the terms of this Mortgage, the Note or any of the other Loan Security Documents when and as the same shall become due and payable and such default shall have continued for a period of ten (10) days after the day on which written notice of same is given by Mortgagor to Mortgagee; or

(b) if default shall be made in the due observance or performance of or compliance with any of the other provisions, warranties, covenants, agreements, terms or conditions of this Mortgage, the Note or any of the other Loan Security Documents,

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

and such default shall have continued for a period of thirty (30) days after notice specifying such default and demanding that the same be cured shall have been given to Mortgagor, or if the default cannot reasonably be remedied within such period, if Mortgagor fails to commence to remedy the same within thirty (30) days and vigorously thereafter to carry the same to completion; provided, however, that if the default is such that a delay in the exercise of a remedy would in Mortgagee's reasonable judgment cause material harm to Mortgagee or the Mortgaged Premises, Mortgagor shall not be entitled to such period of grace; or

(c) if any proceeding under the Bankruptcy Code or any law of the United States or any State relating to insolvency, receivership or debt adjustment is instituted by Mortgagor, Berwyn Avenue Associates Incorporated ("Berwyn"), or any legal or beneficial owner of Mortgagor, or any Guarantor, or if any such proceeding is instituted against Mortgagor, Berwyn or any legal or beneficial owner of Mortgagor, Berwyn or any Guarantor and is consented to by the respondent or remains undismissed for sixty (60) days, or if relief in bankruptcy is granted to Mortgagor, any legal or beneficial owner of Mortgagor or Berwyn or any Guarantor, or if a trustee or receiver is appointed for any substantial part of the property of any thereof and such appointment shall not have been vacated within sixty (60) days thereafter, or if Mortgagor or any legal or beneficial owner of Mortgagor, or Berwyn or any Guarantor make an assignment for the benefit of creditors, admit in writing an inability to pay debts generally as they become due or become insolvent; or

(d) if any representation or warranty made by Mortgagor, Berwyn or any Guarantor in any of the Loan Security Documents or in any other instrument which pertains to this Mortgage proves to be incorrect, now or hereafter; or

87512641

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

(e) if any improvement essential to the continued operation of the Mortgaged Premises is substantially damaged or destroyed by an uninsured casualty; or

(f) a material default under any Lease; or

(g) If any Event of Default occurs under the Loan Agreement executed of even date herewith by and between Mortgagee, as lender, and Berwyn.

21. Remedies. In the event of default, Mortgagee may, at its option and notwithstanding any contrary provisions in the Note, without further demand, notice or delay, do any or all of the following:

(a) Mortgagee may declare the entire unpaid principal balance of the Note to be due and payable immediately. Thereupon, said principal and all accrued interest, and all other sums due hereunder and thereunder shall become immediately due and payable. Thereafter, the default may be cured only by the payment of the entire principal balance and all other sums due and payable thereunder and hereunder. Upon default, interest shall continue to accrue at a rate equal to three percent (3.0%) per annum in excess of the then effective interest rate being charged on the principal balance of the Loan (the "Default Rate") at such time, but not to exceed the highest rate permitted by law, until the Loan is paid in full.

(b) Mortgagee may (i) institute and maintain an action of mortgage foreclosure against any of the Mortgaged Premises, (ii) bid for and purchase the Mortgaged Premises upon any such foreclosure sale, and upon compliance with the terms of the sale, hold, retain and possess and dispose of the Mortgaged Premises in its own absolute right without further accountability, (iii) institute and maintain an action on the Note against Mortgagor or on any guaranty agreement executed by any guarantor, (iv) have

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

judgment entered by confession pursuant to any power to confess judgment contained in any Loan Security Document, (v) take such other action at law or in equity for the enforcement of any Loan Security Document against Mortgagor, Berwyn Avenue Associates Incorporated and/or any Guarantor. Mortgagee may proceed in any such action to final judgment and execution thereon for all sums due under paragraph (a) of this Section 21, together with interest on such sums as provided in the Note, all costs of suit and a reasonable attorney's commission. Interest at a rate equal to three percent (3.0%) per annum in excess of the rate provided in the Note, but not greater than permitted by law, shall be due on any judgment obtained by Mortgagee until actual payment is made of the full amount of the judgment by the Sheriff or otherwise.

(c) Mortgagee may, without releasing Mortgagor, Berwyn Avenue Associates Incorporated or any Guarantor from any obligation under any Loan Security Document or under any lease or waiving any default: (i) collect any or all of the rents, including any rents past due and unpaid; (ii) perform any obligation or exercise any right or remedy of Mortgagor under any lease, or (iii) enforce any obligation of any tenant of any of the Mortgaged Premises. Mortgagee shall not be obligated to do any of the foregoing, even if Mortgagee have performed any obligation or exercised any remedy of landlord or enforced any obligation of a tenant. Mortgagee may exercise any right under this paragraph (c) whether or not Mortgagee shall have entered into possession of any of the Mortgaged Premises; and nothing herein contained shall be construed as constituting Mortgagee a "mortgagee in possession" unless Mortgagee shall have entered into and shall remain in actual possession of the Mortgaged Premises. Mortgagor hereby authorizes and instructs each and every present and future tenant of any of the Mortgaged Premises to pay all rents directly to Mortgagee and to perform all other obligations of that tenant for the direct benefit of Mortgagee, as if Mortgagee were the landlord under the Lease with that

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

tenant, immediately upon receipt of a demand by Mortgagee to make such payment or perform such obligations. No tenant shall have any responsibility to ascertain whether such demand is permitted hereunder or whether a default shall have occurred. Mortgagor hereby waives any right, claim or demand it may now or hereafter have against any such tenant by reason of such payment of rents or performance of obligations to Mortgagee; and any such payment or performance to Mortgagee shall discharge the obligations of the tenant to make such payment or performance to Mortgagor. Mortgagor shall indemnify Mortgagee and hold Mortgagee harmless from any and all liability under any lease and from any and all claims and demands which may be asserted against Mortgagee by reason of any alleged obligations to perform any provision of any lease, except as to Mortgagee's own negligence or willful misconduct.

(d) Mortgagee may without releasing Mortgagor, Berwyn Avenue Associates Incorporated or any Guarantor from any obligation under any Loan Security Document or under any Lease or waiving any default, enter upon and take possession of any of the Mortgaged Premises, with or without legal action and by force if necessary, or have a receiver appointed without proof of depreciation or inadequacy of the value of the Mortgaged Premises or other security or proof of the insolvency of Mortgagor. Mortgagee or said receiver may manage and operate any of the Mortgaged Premises; make, cancel, enforce or modify Leases; obtain and evict tenants; establish or change the amount of any rents; and perform any acts which Mortgagee deems proper to protect the security of this Mortgage. After deduction of all costs and expenses of operation and management of the Mortgaged Premises and of collection of the rents (including attorneys' fees, administration expenses, management fees and brokers' commissions), Mortgagee may apply the rents received by Mortgagee to the payment of any or all of the following, in such order and amounts as Mortgagee, in its sole discretion, may elect: liens on any of the Mortgaged Premises, taxes, claims, insurance

87542669

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

premiums, other carrying charges, invoices of persons who have supplied goods or services to or for the benefit of any of the Mortgaged Premises, costs and expenses of maintenance, repair, restoration, alteration or improvement of any of the Mortgaged Premises, the outstanding principal balance of the Loan, or accrued interest. Mortgagee may, in its sole discretion, determine the method by which, and extent to which, the rents will be collected and obligations of tenants enforced. Mortgagee may waive or fail to enforce any right or remedy of the landlord under a lease. Mortgagee shall not be accountable for any rents or other sums it does not actually receive. Upon and after default, Mortgagor hereby appoints Mortgagee as its attorney-in-fact to perform all acts which Mortgagor is required or permitted to perform under any and all leases.

(e) Upon default and expiration of any applicable grace periods, Mortgagor hereby authorizes and empowers any attorney or attorneys of any court of the several states or of the United States of America to appear for Mortgagor and, as attorney for Mortgagor, to sign an agreement for entering an amicable action of ejectment for possession of any of the Mortgaged Premises, and to confess judgment therein against Mortgagor in favor of Mortgagee. For so doing, this Mortgage or a copy hereof certified by affidavit shall be a sufficient warrant. Thereupon, a writ of possession may immediately issue for the possession of any of the Mortgaged Premises, without any prior writ or proceeding whatsoever. Mortgagee may bring such amicable action in ejectment before or after: (i) the institution of foreclosure proceedings under this Mortgage, (ii) the entry of judgment hereunder or under the Note, or (iii) a Sheriff's sale of any of the Mortgaged Premises.

(f) Mortgagee may disaffirm and cancel any Lease which is subordinate to this Mortgage at any time before the expiration of sixty (60) days after Mortgagee acquires the legal title to the Mortgaged Premises by any transfer pursuant to the exercise

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

of a remedy hereunder or otherwise, even though Mortgagee shall have enforced such Lease, collected rents thereunder or taken any action that might be deemed by law to constitute an affirmation of the Lease. Such disaffirmance shall be made by notice addressed to the tenant at the Mortgaged Premises or, at Mortgagee's option, such other address of the tenant as may be provided in that tenant's Lease.

(g) Mortgagee may take possession of any of the Mortgaged Premises and may sell such property pursuant to the provisions of the Uniform Commercial Code of the State of Illinois and exercise such other rights and remedies with respect to such property as may be provided by said Code. Mortgagee may apply the proceeds of such sale received by Mortgagee to the payment of any or all of the following, in such order and amounts as Mortgagee, in its sole discretion, may elect: Liens on any of the Mortgaged Premises, taxes, claims, insurance premiums, other carrying charges, invoices of persons who have supplied goods or services to or for the benefit of any of the Mortgaged Premises, costs and expenses of maintenance, repair, restoration, renovation, alteration or improvement of any of the Mortgaged Premises, the outstanding principal balance of the Loan, or accrued interest thereon.

(h) Mortgagee may apply on account of the indebtedness hereby secured the balance of the accumulated installment payments made by Mortgagor for taxes, water and sewer rents and insurance premiums under Section 7 above.

(i) Marshalling of assets principles shall not govern any foreclosure sale and the fee simple title, unencumbered by any leasehold, is to be the asset sold at said foreclosure sale.

22. Remedies Cumulative. Mortgagee may exercise all of the rights and remedies provided in this Mortgage or the Note, or in any other Loan Security Document, or which may be available

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

to Mortgagee by law, and all such rights and remedies shall be cumulative and concurrent and may be pursued singularly, successively or together, at Mortgagee's sole discretion, and may be exercised as often as occasion therefor shall occur. Any real estate sold pursuant to any writ of execution issued on a judgment obtained by virtue of the Note or this Mortgage or to any judicial proceedings under the Mortgage, may be sold in one parcel in its entirety, or in such parcels, and in such manner or order as Mortgagee, in its sole discretion, may elect.

23. Waivers by Mortgagor. Mortgagor, Berwyn Avenue Associates Incorporated and all Guarantors hereby waive and release (a) all technical errors, defects and imperfections in any proceedings instituted by Mortgagee under this Mortgage, (b) all benefits that might accrue to Mortgagor by virtue of any present or future laws exempting the Mortgaged Premises or any part of the proceeds arising from any sale thereof, from attachment, levy or sale under execution, or providing any stay of execution, exemption from civil process, extension of time for payment, or rights of redemption, (c) all notices not herein elsewhere specifically required of Mortgagor's default or of Mortgagee's exercise of, or election to exercise, any option under this Mortgage, (d) any present or future statute of limitation or moratorium law or any other present or future law, regulation or judicial decision which provides for any stay of execution, marshalling of assets, exemption from civil process, redemption, extension of time for payment or valuation of appraisement of any of the Mortgaged Premises, (e) any right pursuant to any law now existing or hereafter enacted to cure any default following acceleration by payment of less than the entire outstanding principal balance outstanding, together with accrued interest thereon and all other sums due pursuant to the terms of the Note, this Mortgage and any other Loan Security Documents, (f) any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person, excepting any decree or judgment

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

creditors of Mortgagor acquiring any interest or title to the Mortgaged Premises subsequent to the date hereof, it being the intent hereof that any and all such rights of redemption of Mortgagor and of all other persons, are and shall be deemed to be hereby waived to the fullest extent permitted by the provisions of Illinois law.

24. No Waiver Implied. Any failure by Mortgagee to insist upon the strict performance by Mortgagor of any of the terms, covenants, agreements, conditions and provisions hereof shall not be deemed to be a waiver of any of the terms, covenants, agreements, conditions and provisions hereof, and Mortgagee, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Mortgagor of any and all of the terms, covenants, agreements, conditions and provisions of this Mortgage to be performed by Mortgagor. Neither Mortgagor nor any other person now or hereafter obligated for the payment of the whole or any part of the sums now or hereafter secured by this Mortgage shall be relieved of such obligation by reason of the failure of Mortgagee to comply with any request of Mortgagor or any other person so obligated to take action to foreclose this Mortgage or otherwise enforce any of the provisions of this Mortgage or of any obligations secured by this Mortgage, or by reason of the consent of the Mortgagee to the filing of any map, plat or replat of the Mortgaged Premises, or by reason of the release, regardless of consideration, of the whole or any part of the security held for the indebtedness secured by this Mortgage, or by reason of any agreement or stipulation between any subsequent owner or owners of the Mortgaged Premises and Mortgagee extending the time of payment or modifying the terms of the Note or Mortgage without first having obtained the consent of Mortgagor or such other person, and in the latter event, Mortgagor and all such other persons shall continue to be liable to make such payments according to the terms of any such agreement of extension or modification unless expressly released and discharged in writing by Mortgagee.

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

Regardless of consideration, and without the necessity for any notice to or consent by the holder of any subordinate lien on the Mortgaged Premises, Mortgagee may release the obligation of anyone at any time liable for any of the indebtedness secured by this Mortgage or any part of the security held for the indebtedness and may extend the time of payment or otherwise modify the terms of the Note or this Mortgage, or both, without, as to the security of the remainder thereof, impairing or affecting the lien of this Mortgage or the priority of such lien as security for the payment of the indebtedness as it may be so extended or modified over any subordinate lien. For the payment of the indebtedness secured hereby Mortgagee may resort to any other security therefor held by Mortgagee in such order and manner as Mortgagee may elect.

25. Counsel Fees. If Mortgagee retains the services of counsel in order to cure any default under this Mortgage or the Note, reasonable attorney's fees shall be payable by Mortgagor to Mortgagee and shall be secured hereby. Mortgagor shall pay the cost of any required title search and all other costs incurred by Mortgagee in connection with proceedings to recover any sums secured hereby. Mortgagor shall also pay any reasonable charge incurred by Mortgagee in connection with the satisfaction of this Mortgage of record.

If Mortgagee becomes a party to any suit or proceeding affecting the Mortgaged Premises or title thereto, the lien created by this Mortgage or Mortgagee's interest therein, or following an event or events of default hereunder if Mortgagee engages counsel to collect any of the indebtedness or to enforce performance of the agreements, conditions, covenants, provisions or stipulations of this Mortgage or the Note, Mortgagee's advanced costs, expenses and reasonable counsel fees, whether or not suit is instituted, shall be paid to Mortgagee by Mortgagor, on demand, with interest at three percent (3%) above the effective rate set forth in the Note, but not greater than

07512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

permitted by law, and until paid such costs, expenses and fees shall be deemed to be part of the indebtedness evidenced by the Note and secured by this Mortgage.

26. Declaration of No Set-Off. Mortgagor represents to Mortgagee that it has no knowledge of any offsets, counterclaims or defenses to the principal indebtedness secured hereby, or to any part thereof, or the interest thereon, either at law or in equity. Mortgagor, within three (3) days upon request in person or within ten (10) days upon request by mail, will furnish a duly acknowledged written statement in form satisfactory to Mortgagee stating either that Mortgagor knows of no offsets or defenses existing against the indebtedness evidenced by the Note and secured by this Mortgage, or if such offsets or defenses are alleged to exist, the nature and extent thereof. Mortgagee agrees to provide to Mortgagor a written statement within ten (10) days upon request by mail that, if applicable, Mortgagor is not in default under the terms of this Mortgage.

27. Representations and Warranties. Mortgagor and Berwyn Avenue Associates Incorporated represent that: (a) Mortgagor is a national banking association duly organized under the laws of the United States of America, and has the authority to conduct business in the State of Illinois; (b) Mortgagor has been duly and validly appointed Trustee for Berwyn Avenue Associates Incorporated, pursuant to the terms of a Trust Agreement dated August 11, 1987, and known as Trust No. 103252-07; (c) Berwyn Avenue Associates Incorporated is a corporation organized and existing under the laws of the State of Illinois and has the authority to conduct business in the State of Illinois; (d) Mortgagor and Berwyn Avenue Associates Incorporated have the requisite power and authority to execute the Loan Security Documents and perform the obligations hereunder and thereunder; (e) the transactions contemplated in the Loan Security Documents are and will be in all respects binding

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

obligations of the respective parties thereto in accordance with their respective provisions; (e) all information, reports, papers and data given to Mortgagee with respect to any of the Mortgaged Premises, the Mortgagor, Berwyn Avenue Associates Incorporated and the Guarantors is accurate in all material respects necessary to make the information therein not misleading and complete insofar as completeness may be necessary to give Mortgagee accurate knowledge of the subject matter, and there has been no material adverse change in any condition or fact stated therein; (f) no portion of the Mortgaged Premises has been damaged by fire or other casualty which is not now fully restored; (g) no notice of taking by eminent domain or condemnation of any of the Mortgaged Premises has been received by Mortgagor, and Mortgagor has no knowledge that any of such is contemplated; (h) the proceeds of the Loan evidenced by the Note have been or will be paid as directed by Mortgagor and will be used solely for its proper purposes; and (i) the Mortgagor and Berwyn Avenue Associates Incorporated have complied with all the provisions of the Commitment.

28. Invalid Provisions Disregarded. If any term or provision of this Mortgage or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Mortgage, or the application of such term or the provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Mortgage shall be valid and be enforced to the fullest extent permitted by law.

29. Applicable Law. This Mortgage is given as security for real estate situate in the State of Illinois, but the Loan secured hereby shall be deemed made under and governed by the laws of the Commonwealth of Pennsylvania in all respects, including matters of construction, performance and enforcement, but excluding however, principles of conflicts of law, and except

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

to the extent that the procedural laws of the State of Illinois shall apply to any action commenced by Mortgagee in pursuit of a remedy under this Mortgage.

30. Notices. All Notices shall be given to Mortgagor at:

American National Bank and Trust Company of Chicago
33 North LaSalle Street
Chicago, IL 60602

And

Berwyn Avenue Associates Incorporated
c/o Senior Lifestyle Corporation
737 North Michigan Avenue
Suite 900
Chicago, IL 60611

cc: Ted R. Jadwin, Esquire
D'Ancona & Pflaum
30 N. LaSalle Street
Suite 3100
Chicago, IL 60602

and Mortgagee at:

Dollar Bank
Tenth Floor
Three Gateway Center
Pittsburgh, PA 15222
Attention: Vice President, Real Estate Lending

Except as otherwise provided in this Mortgage, all notices hereunder shall be in writing and shall be deemed to have been duly given for all purposes when delivered in person or when deposited in the United States mail, by registered or certified mail, return receipt requested, postage prepaid, directed to the party to receive the same at its address stated above or at such other address as may be substituted by notice given as herein provided.

31. Captions. The captions appearing in this Mortgage are inserted solely for convenience of reference and shall not

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

constitute a part of this Mortgage, not shall they in any way affect its meaning, construction or effect.

32. Construction. The word "Mortgagor" whenever used herein is intended to and shall be construed to mean American National Bank and Trust Company of Chicago, its successors and assigns. All covenants, promises, agreements, authorizations, waivers, releases, options, undertakings, rights and benefits made or given herein by Mortgagor shall bind Mortgagor as fully as though such entity was specifically named herein whenever the term "Mortgagor" is used. The obligation of each and every party hereto, and also the authority and powers conferred herein, shall inure to the benefit of and bind each and every party hereto its respective successors and assigns.

33. Usury. Nothing herein contained or any transaction related hereto shall be construed or shall so operate either presently or prospectively to require Mortgagor (a) to pay interest at a rate greater than is now lawful in such case to contract for, but shall require payment of interest only to the extent of such lawful rate, or (b) to make any payment or do any act contrary to law, but if any clause or provision herein contained shall otherwise so operate to invalidate this Mortgage, in whole or in part, then such clauses and provisions only shall be held for naught as though not herein contained and the remainder of this Mortgage shall remain operative and in full force and effect. Any interest paid in excess of the lawful rate shall be refunded to Mortgagor. Such refund shall be made by application of the excessive amount of interest paid against any sums outstanding under the Note and shall be applied in such order as Mortgagee may determine. If the excessive amount of interest paid exceeds the sums outstanding under the Note, the portion exceeding the said sums outstanding under the Note shall be refunded in cash by Mortgagee. Any such crediting or refund shall not cure or waive any default by Mortgagor hereunder or under the Note. Mortgagor agrees, however, that in determining

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

whether or not any interest payable under the Note or this Mortgage exceeds the highest rate permitted by law, any non-principal payment (except payments specifically stated in the Note to be "interest"), including without limitation prepayment premiums and late charges, shall be deemed, to the extent permitted by law, to be an expense, fee, premium or penalty rather than interest.

34. Subsidence and Physical Damage to Mortgaged Premises. In case of any material subsidence or the threat of such subsidence on the surface or of any material physical damage to the Mortgaged Premises, the Mortgagee shall have the right to expend such sums to as in its judgment may be necessary or desirable to protect the Mortgaged Premises from damage by reason thereof and to add the cost and expenses thereof to the unpaid balance of the Loan, and all sums so expended shall bear interest at the interest rate set forth in the Note and shall be secured hereby or, in the alternative, Mortgagee may, in its discretion, declare the indebtedness to be due and payable upon notice to Mortgagor.

35. Further Assurances. At any time and from time to time, upon Mortgagee's request, Mortgagor shall make, execute and deliver or cause to be made, executed and delivered to Mortgagee and, where appropriate, shall cause to be recorded or filed and from time to time thereafter to be re-recorded or refiled, at such time and in such offices and places as shall be deemed desirable by Mortgagee, any and all further mortgages, instruments of further assurance, certificates and other documents as Mortgagee may consider necessary or desirable in order to effectuate, complete, enlarge in accordance with the Loan Security Documents or perfect, continue and preserve the obligations of Mortgagor under the Note and this Mortgage or any other Loan Security Document, and the lien of this Mortgage as the first and prior lien upon all of the Mortgaged Premises, whether now owned or hereafter acquired by Mortgagor. Upon any

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

failure by Mortgagor to do so, Mortgagee may make, execute, record, file, re-record or refile any and all such mortgages, instruments, financing statements, certificates and documents for and in the name of Mortgagor, and Mortgagor hereby irrevocably appoints Mortgagee the agent and Attorney-in-Fact of Mortgagor to do so.

36. After Acquired Property. The lien of this Mortgage will automatically attach, without further act, to all after acquired property located in or on, or attached to, or used or intending to be used solely in connection with or with the operation of the Mortgaged Premises or any part thereof.

37. Release of Individual Units: Mortgagee shall release individual townhome units ("Units") comprising the Mortgaged Premises from the lien of this Mortgage, provided that the Mortgagor fully complies with the following provisions:

(a) The Mortgagor, Berwyn Avenue Associates Incorporated or any Guarantors shall not be in default in the performance of the terms, conditions and requirements of the Note, this Mortgage, or any of the other Loan Security Documents.

(b) Mortgagor shall have paid to Mortgagee a release fee (the "Release Fee") for the Unit to be released equal to the net proceeds from the sale. "Net proceeds" shall be defined as the gross sales price of a Unit less reasonable attorney's fees, escrow fees and prorations (including any real estate tax prorations which may be held in escrow by Berwyn Avenue Associates Incorporated), settlement fees, recording fees, title insurance, city, county and state tax stamps, and other reasonable closing costs and sales commissions. Upon receipt, if Mortgagor, Berwyn Avenue Associates Incorporated or any Guarantor is not in default hereunder or pursuant to the Note or any other Loan Security Document, the Release Fee shall be applied to reduction of the outstanding principal balance of the Loan.

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

Otherwise, the Release fee shall be applied to accrued interest, principal or other costs due hereunder or pursuant to the Note or any other Loan Security Document in such order as Mortgagee shall in its sole discretion determine. In no event shall the Mortgagor sell a Unit at a price lower than as set forth on Exhibit "B" without prior written approval of the Mortgagee.

(c) All releases shall be statutory in form, shall be prepared and recorded at the expense of the Mortgagor, and shall be in form and substance satisfactory to Mortgagee.

38. Loan Agreement; Obligatory Advances. The indebtedness secured hereby is to be advanced in connection with the construction of the Improvements upon the Mortgaged Premises pursuant to a Loan Agreement between Mortgagor and Mortgagee dated of even date herewith, the terms and conditions of which are incorporated herein by this reference with the same force and effect as if hereinafter more fully set forth.

It is understood and agreed that this Mortgage covers present and future advances, in the aggregate amounts secured hereby, made by the Mortgagee to or for the benefit of the Mortgagor pursuant to the Loan Agreement of even date herewith between Mortgagor and Mortgagee and that the lien of such future advances shall relate back to the date of this Mortgage.

39. Limited Liability of Mortgagor. This Mortgage is executed by American National Bank and Trust Company of Chicago, not personally but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and fixed in it as such Trustee, and it is expressly understood and agreed that nothing herein contained shall be constituted as creating any liability on said American National Bank and Trust Company of Chicago as Trustee as aforesaid, or on said American National Bank and Trust Company of Chicago personally to pay the said Note or any interest that may accrue thereon, or any indebtedness accruing

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

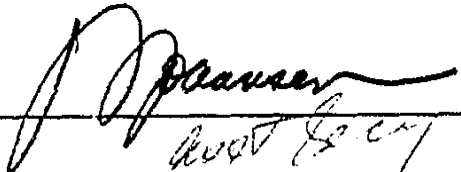
UNOFFICIAL COPY

hereunder, or to perform any covenant either express or implied herein contained, all such liability, if any, being expressly waived by the Mortgagee and by every person now or hereafter claiming any right or security hereunder. Each original and successive holder of this Mortgage accept the same upon the express condition that in case of default in the payment of this Mortgage, or of any installment thereof, the sole remedy against the Mortgagor shall be by foreclosure of the Mortgage given to secure the indebtedness evidenced by this Mortgage in accordance with the terms and provisions of the Mortgage, by enforcement of the Assignment of Leases and Rents with respect to the Mortgaged Premises, or by action to enforce other security given to secure payment of the Loan: provided, however, nothing herein shall limit or otherwise affect the remedies afforded the holder hereof under the terms of the Guaranties of Completion and Payment of the Costs of the Project against the Guarantors or any of them, the Guaranty of Payment and Performance Obligations, the Agreements of Guaranty and Suretyship against the Guarantors or any one of them, the Escrow Agreement for Letter of Credit, or any combination of said remedies.

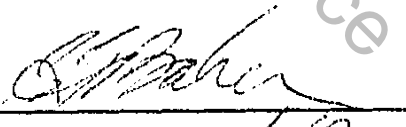
IN WITNESS WHEREOF, Mortgagor has executed these presents the day and year first above written.

ATTEST:

AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO,
as Trustee aforesaid



By: _____



The address of the within named Mortgagee is
10th Floor, Three Gateway Center, Pittsburgh
Pennsylvania 15222

On behalf of the Mortgagee

87512661

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

LOT 2 in Kaplan & Klutznick Subdivision of part of the East Half of the North East Fractional Quarter of Fractional Section 8, Township 40 North, Range 14 East of the Third Principal Meridian, as according to the Plat recorded as Document Number 87-492253 on September 8, 1987, in Cook County, Illinois.

950 W. Berwyn Ave
Chgo, Ill

14-08-203-014-0000(47)
D

Property of Cook County Clerk's Office

87512561

UNOFFICIAL COPY

Property of Cook County Clerk's Office