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MORTGAGE, ASSIGNMENT OF RENTS  
AND SECURITY AGREEMENT

THIS MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT (as may be amended from time to time hereafter, the "Mortgage") made as of the 23rd day of July, 1987, between CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association having its principal office and place of business at 231 South LaSalle Street, Chicago, Illinois 60697 ("Lender"), and 2470 NORTH MILWAUKEE CORP., an Illinois corporation, (hereinafter referred to as "Mortgagor");

W I T N E S S E T H:

WHEREAS, Mortgagor and Logan Square Aluminum Supply, Inc. ("Logan Square"), an Illinois corporation, (hereinafter Mortgagor and Logan Square are collectively referred to as "Borrowers") have executed and delivered to Lender a Note (Secured) of even date herewith payable to the order of Lender in the principal amount of One Million Eight Hundred Thousand Dollars (\$1,800,000.00) in repayment of a loan in like amount, (said note, together with all notes issued in substitution or exchange therefor and as any of the foregoing may from time to time be amended, is hereinafter called the "Mortgage Note"), which Mortgage Note bears interest and is payable to Lender as more fully described therein, and which Mortgage Note shall mature as provided therein but in no event later than June 1, 1994;

WHEREAS, Borrowers have executed and delivered to Lender a Promissory Note of even date herewith payable to the order of Lender in the principal amount of Two Million Seven Hundred Thousand and 00/100 Dollars (\$2,700,000.00) (said Note together with all notes issued in substitution or exchange therefor and as any of the foregoing may from time to time be amended, is hereinafter called the "Line of Credit Note"), which Line of Credit Note bears interest and is payable upon demand to Lender as more fully described therein, and which Line of Credit Note is being delivered to Lender pursuant to that certain Secured Line of Credit Agreement dated of even date herewith by and among Borrowers and Lender, which Line of Credit Agreement has an expiration date of April 30, 1988 which may be extended as provided therein but in no event shall said expiration date be extended later than June 1, 1994 (the Mortgage Note and the Line of Credit Note are hereinafter collectively referred to as the "Notes");

WHEREAS, Lender is desirous of securing the prompt payment of the Notes (hereinafter the loans evidenced by the Notes are collectively referred to as the "Loans") together with interest and any premium thereon in accordance with the terms of the Notes, and any additional indebtedness accruing to the Lender on account of any future payments, advances or expenditures made by Lender

LAND TITLE COMPANY

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THIS INSTRUMENT PREPARED BY AND AFTER  
RECORDING SHOULD BE RETURNED TO:

Property Addresses  
and PINs: See pages  
22 and 23 of this  
Mortgage

John C. Petrovski, Esq.  
Katten Muchin & Zavis  
525 W. Monroe - Suite 1600  
Chicago, Illinois 60606

WHEREAS, as a requirement of making the Loans, Lender requires the execution and delivery of this Mortgage, and since Borrowers have common ownership and will receive the proceeds of the Loans, it is in the direct financial interest of Mortgagor to execute this Mortgage;

WHEREAS, Mortgagor is the owner of all the parcels or real estate comprising the "Mortgaged Property" (as hereinafter defined);

NOW, THEREFORE, to secure the performance and observance by Borrowers of all of the terms, covenants and conditions in the Notes and to secure the performance and observance by Mortgagor of all the terms, covenants and conditions in this Mortgage contained, and in order to charge the properties, interests and rights hereinafter described with such payment, performance and observance, and for and in consideration of the sum of One Dollar (\$1.00) lawful money of the United States of America to Mortgagor duly paid by Lender on or before the delivery of this Mortgage, and for other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, Mortgagor has executed and delivered this Mortgage and does hereby grant, convey, assign, mortgage, grant a security interest in, confirm, unto the Lender and its successors and assigns, forever, all of the following described property (which is hereinafter sometimes referred to as the "Mortgaged Property"), to-wit:

A. All those certain tracts, pieces or parcels of land more particularly described in Exhibit A attached hereto and made a part hereof (hereinafter called the "Land");

B. All buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Land, and all furnishings, furniture, fixtures, machinery, equipment, appliances, systems, building materials, vehicles and personal property of every kind and nature whatsoever, including, without limitation, all gas and electric fixtures, radiators, heaters, engines and machinery, boilers, ranges, elevators and motors, plumbing and heating fixtures and systems, carpeting and other floor coverings, washers, dryers, water heaters, mirrors, mantels, air conditioning apparatus and systems, refrigerating plant, refrigerators, computers and all hardware and software therefor, cooking apparatus and appurtenances, window screens, awnings and storm sashes, which are or shall be attached to said buildings, structures or improvements, or which are or shall be located in, on or about the Land, or which, wherever located (including, without limitation, in warehouses or other storage facilities or in the possession of or on the premises of vendors or manufacturers thereof), are used or intended to be used in or in connection with the construction, fixturing, equipping, furnishing, use, operation or enjoyment of the Land or the improvements thereon, all warehouse receipts or other documents of title relating to any of the foregoing and all permits, licenses and franchises now or hereafter owned by Mortgagor, including all extensions, additions, improvements, betterments, renewals and replacements of any of the foregoing, together with the benefit of any deposits or payments now or hereafter made by Mortgagor or on their behalf in connection with any of the foregoing, but excluding all personal property now or hereafter owned or leased by any tenant (other than Logan Square) leasing any portion of the Land or the building, structures or improvements located thereon; and

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C. All easements, rights-of-way, strips, gaps and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, and all estates, rights, titles, interests, licenses, privileges, liberties, tenements, hereditaments and appurtenances whatsoever, in any way belonging, relating or appertaining to the Mortgaged Property, or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Mortgagor and the reversion and reversions, remainder and remainders, and the rents, issues, profits and revenues of the Mortgaged Property from time to time accruing (including, without limitation, all payments under leases or tenancies, proceeds of insurance, condemnation payments, tenant security deposits, escrow funds and reserve funds), and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Mortgagor of, in and to the same;

TO HAVE AND TO HOLD the Mortgaged Property and all parts thereof unto Lender, its successors and assigns, to its own proper use, benefit and advantage forever, subject, however, to the terms, covenants and conditions herein contained;

WITHOUT limitation of the foregoing, the Mortgagor hereby further grants unto Lender, pursuant to the provisions of the Uniform Commercial Code of the State of Illinois, a security interest in all of the above-described property, which property includes, without limitation, goods which are or are to become fixtures.

THIS MORTGAGE IS GIVEN TO SECURE: (a) payment of the principal and interest evidenced by the Notes and (b) performance of each and every of the covenants, conditions and agreements contained in this Mortgage, in the Notes, in the Secured Line of Credit Agreement, and in any other agreement, document or instrument to which reference is expressly made in this Mortgage or which secures the Notes (all of which are sometimes referred to as the "Indebtedness Secured Hereby" or the "Indebtedness").

It is expressly understood and agreed that the Indebtedness Secured Hereby will in no event exceed two hundred percent (200%) of the total face amounts of the Notes.

PROVIDED, HOWEVER, that these presents are upon the condition that, if Borrowers shall pay or cause to be paid to Lender the principal and interest payable pursuant to the Notes, at the times and in the manner stipulated therein and herein, all without any deduction or credit for taxes or other similar charges paid by Mortgagor, and shall keep, perform and observe all and singular the covenants and promises in the Notes, and Mortgagor shall keep, perform and observe all and singular the covenants and premises in this Mortgage expressed to be kept, performed and observed by and on the part of Mortgagor then this Mortgage shall cease, terminate and be void, but shall otherwise remain in full force and effect.

AND Mortgagor covenants and agrees with Lender that:

## ARTICLE I

1.01 Performance of Notes and Mortgage. Mortgagor shall, or shall cause Borrowers to, perform, observe and comply with all of the provisions hereof and of the Notes and shall duly and

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punctually pay to Lender the sum of money expressed in the Notes with interest thereon at the times and in the manner provided in the Notes and all other sums required to be paid by Mortgagor pursuant to the provisions of this Mortgage, all without any deductions or credit for taxes or other similar charges paid by Mortgagor.

1.02 Warranty of Title. Mortgagor warrants to Lender that at the time of the recordation of these presents, Mortgagor is well seized of an indefeasible estate in fee simple to the Mortgaged Property; Mortgagor owns good title to the portion of the Mortgaged Property which constitutes personal property, subject only to the matters set forth in Exhibit B attached hereto and made a part hereof; have good right, full power and lawful authority to convey, mortgage and grant a security interest in the same in the manner and form aforesaid; that the same is free and clear of all liens, charges, easements, covenants, conditions, restrictions and encumbrances whatsoever, other than those set forth in Exhibit B, including, as to the personal property and fixtures, security agreements, conditional sales contracts and anything of a similar nature; and that Mortgagor shall and will forever warrant and defend said title to the Mortgaged Property against the claims of all persons whomsoever.

1.03 Taxes. Mortgagor shall pay before they become due, all taxes, assessments and other similar charges against the Mortgaged Property or any part thereof.

1.04 Taxes, Liens and Other Charges.

(a) Mortgagor shall pay promptly, when and as due, and will, upon Lender's request, promptly exhibit to Lender receipts for the payment of, all taxes, assessments, water rates, license fees, dues, charges, fines and impositions of every nature whatsoever charged, imposed, levied or assessed or to be charged, imposed, levied or assessed upon or against the Mortgaged Property or any part thereof; or upon the interest of Lender in the Mortgaged Property, as well as all income taxes, assessments and other governmental charges lawfully levied and imposed by the United States of America or any state, county, municipality or other taxing authority in respect of the Mortgaged Property or any part thereof, or any charge which, if unpaid, would or could become a lien or charge upon the Mortgaged Property, or any part thereof. Mortgagor shall have the right to protest any such taxes or assessments and, provided that such protest stays the date payment thereof is due and Mortgagor provides Lender with security for such payment satisfactory to Lender, Mortgagor may delay paying same but will pay same prior to any tax sale or sale of the Mortgaged Property.

(b) Mortgagor shall not suffer any mechanic's, laborer's, materialmen's, statutory or other lien or any security interest or encumbrance to be created or to remain outstanding upon any of the Mortgaged Property unless same are bonded over in a manner satisfactory to Lender, in its sole judgment.

(c) In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws now in force governing the taxation of mortgages or debts

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secured by mortgages or the manner of collecting taxes so as to affect adversely Lender, all sums secured by this Mortgage and all interest accrued thereon shall, without notice, become due and payable forthwith at the option of Lender unless Lender is indemnified by Mortgagor in a manner satisfactory to Lender in its sole discretion.

(d) Mortgagor shall pay when due any charges for utilities, whether public or private, with respect to the Mortgaged Property or any part thereof and all license fees, rents or other charges for the use of vaults, canopies or other appurtenances to the Mortgaged Property.

1.05 No Tax Credits. Mortgagor shall not claim or demand or be entitled to receive any credit or credits on the principal or interest payable under the terms of the Notes or on any other sums secured hereby, for so much of the taxes, assessments or similar charges assessed against the Mortgaged Property or any part thereof, as are applicable to the Indebtedness Secured Hereby or to Lender's interest in the Mortgaged Property. No deduction shall be claimed from the taxable value of the Mortgaged Property or any part thereof by reason of the Notes or this Mortgage.

1.06 Insurance. Mortgagor shall procure for, deliver to and maintain for the benefit of Lender during the term of this Mortgage a policy or policies of insurance (i) insuring the Mortgaged Property against fire, lightning, vandalism, malicious mischief, all other perils insurable against under "extended coverage", and such other insurable perils as Lender may reasonably require in an amount equal to the full replacement value of the improvements on the Land, (ii) insuring against loss or damage by flood or mud slide, if the Land is now, or at any time while the Indebtedness Secured Hereby remains outstanding shall be, situated in any area which an appropriate governmental authority designates as a flood or mud slide area or the like, in such amounts as Lender may require, but no amount in excess of the maximum legal limit of coverage shall be so required, and (iii) affording such other or additional coverage as from time to time may be reasonably requested by Lender. Mortgagor shall pay for all premiums on such policies. The companies issuing such policies, and the amounts, forms, expiration dates and substance of such policies shall be satisfactory to Lender, and such policies shall contain, in favor of Lender, the New York Standard Non-Contributory Mortgagee Clause, or its equivalent, in a form satisfactory to Lender. At least fifteen (15) days prior to the expiration date of each such policy, renewal thereof satisfactory to Lender shall be delivered to Lender. Mortgagor shall deliver to Lender receipts evidencing the payment for all such insurance policies and renewals. The delivery of the insurance policies shall constitute an assignment as further security for the Indebtedness Secured Hereby of all unearned premiums. In the event of the foreclosure of this Mortgage or any other transfer of title to the Mortgaged Property in extinguishment in whole or in part of the Indebtedness Secured Hereby, all right, title and interest of Mortgagor in and to all insurance policies then in force shall pass to the purchaser or grantee.

Lender is hereby authorized and empowered, at its option, to make or file proofs of loss or damage and to adjust or compromise any loss under any insurance policies on the Mortgaged Property, and to collect and receive the proceeds from any such policy or policies. Each insurance company is hereby authorized and

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directed to make payment for all such losses directly to Lender instead of to Mortgagor. After deducting from said insurance proceeds all of its expenses incurred in the collection and administration of such sums, including attorneys' fees, Lender may apply, the net proceeds or any part thereof, at its option, either toward restoring the Mortgaged Property or as a credit on any portion of the Indebtedness Secured Hereby selected by it, whether then matured or to mature in the future, or at the option of Lender, such sums either wholly or in part may be paid over to Mortgagors, on such terms and conditions as Lender in its discretion may specify, to be used to repair the buildings, structures or improvements, or to build new ones in their place, or for any other purpose or object satisfactory to Lender, without affecting the lien of this Mortgage for the full amount secured hereby before such payment took place. Lender shall not be held responsible for any failure to collect any insurance proceeds due under the terms of any policy regardless of the cause of such failure.

1.07 Condemnation. If all or any part of the Mortgaged Property (other than a portion which Lender deems insignificant) shall be damaged or taken through condemnation (which term, when used in this Mortgage, shall include any damage or taking by any governmental authority and any transfer by private sale in lieu thereof), either temporarily or permanently, the entire Indebtedness Secured Hereby shall, at the option of Lender, become immediately due and payable. Lender shall be entitled to all compensation to the extent of the Indebtedness Secured Hereby, awards and other payments or relief therefor and is hereby authorized, at its option, to commence, appear in and prosecute, in its own or Mortgagor's name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith. All such compensation, awards, damages, claims, rights, actions and proceedings, and the right thereto, are hereby assigned by Mortgagor to Lender. After deducting from said condemnation proceeds all of its expenses incurred in the collection and administration of such sums, including attorneys' fees, Lender may apply, subject to the provisions of the last paragraph of Section 1.06 above, which shall be applicable to the disbursement of condemnation proceeds, the net proceeds or any part thereof, at its option, either toward restoring the Mortgaged Property or as a credit on any portion of the Indebtedness Secured hereby selected by it whether then matured or to mature in the future, or for any other purpose or object satisfactory to Lender without affecting the lien of this Mortgage. Mortgagor agrees to execute such further assignments of any compensations, awards, damages, claims, rights, actions and proceedings as Lender may require. Lender shall not be held responsible for any failure to collect any amount in connection with any such proceeding regardless of the cause of such failure.

1.08 Care of the Property.

(a) Mortgagor shall preserve and maintain the Mortgaged Property in good condition and repair, shall not commit or suffer any waste thereof, and shall keep the same in a clean, orderly and attractive condition. Mortgagor shall not do or suffer to be done anything which will increase the risk of fire or other hazard to the Mortgaged Property or any part thereof.

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(b) Except as otherwise provided herein, no buildings, structures, improvements, fixtures, personal property or other part of the Mortgaged Property shall be removed, added to, demolished or altered structurally to any extent or altered non-structurally in any material respect without the prior written consent of Lender.

(c) If the Mortgaged Property or any part thereof is damaged by fire or any other cause, Mortgagor shall give immediate written notice of the same to Lender.

(d) Lender or its representative is hereby authorized to enter upon and inspect the Mortgaged Property at any time during normal business hours during the term of this Mortgage.

(e) Mortgagor shall promptly comply, and cause the Mortgaged Property and the occupants or users thereof to comply with all present and future laws, ordinances, orders, rules and regulations and other requirements of any governmental authority affecting the Mortgaged Property or any part thereof or the use or occupancy thereof.

(f) If all or any part of the Mortgaged Property shall be damaged by fire or other casualty, Mortgagor shall promptly restore the Mortgaged Property to the equivalent of its original condition, regardless of whether or not there shall be any insurance proceeds therefor and regardless of whether or not insurance proceeds are made available to Mortgagor. If a part of the Mortgaged Property shall be physically damaged through condemnation, Mortgagor shall promptly restore, repair or alter the remaining property in a manner satisfactory to Lender. Without limitation of any other provision hereof, failure by Mortgagor to comply with the provisions of this section will constitute an Event of Default hereunder.

1.09 Further Assurances; After Acquired Property. At any time and from time to time, upon request by Lender, Mortgagor shall make, execute and deliver or cause to be made, executed and delivered, to Lender, and where appropriate, to cause to be recorded and/or filed and from time to time thereafter to be re-recorded and/or refiled at such time and in such offices and places as shall be deemed desirable by Lender, any and all such other and further mortgages, security agreements, financing statements, continuation statements, instruments of further assurances, certificates and other documents as may, in the reasonable opinion of Lender, be necessary or desirable in order to effectuate, complete or perfect, or to continue and preserve (a) the obligations of Borrowers under the Notes and the obligations of Mortgagor under this Mortgage, and (b) the lien and security interest of this Mortgage as a first and prior lien and security interest upon all of the Mortgaged Property, whether now or hereafter acquired by Mortgagor. The lien and security interest hereof will automatically attach, without further act, to all after acquired property attached to and/or used in the operation of the Mortgaged Property or any part thereof.

1.10 Leases and Other Agreements Affecting the Mortgaged Property. Mortgagor shall duly and punctually perform all terms, covenants, conditions and agreements binding upon it or the Mortgaged Property under any lease or any other agreement or instrument of any nature whatsoever which involves or affects the Mortgaged Property or any part thereof. Mortgagor represents and

warrants that it has heretofore furnished the Lender with true and complete copies of all such leases, agreements and instruments existing on the date of this Mortgage. Mortgagor agrees to furnish the Lender with executed copies of all leases hereafter entered into with respect to all or any part of the Mortgaged Property. Mortgagor shall not, without the express written consent of the Lender, enter into any new lease or modify, surrender, terminate, extend or renew, either orally or in writing, any lease now existing or hereafter created upon the Mortgaged Property or any part thereof, nor shall Mortgagor permit an assignment or sublease without the express written consent of Lender. If Lender so requests, Mortgagor shall cause the tenant under each or any of such leases to enter into subordination and attornment agreements with Lender which are satisfactory to Lender. Mortgagor shall not accept payment of advance rents or security deposits equal, in the aggregate, to more than one (1) month's rent without the express written consent of Lender. In order to further secure payment of the Notes and the observance, performance and discharge of the Mortgagor's obligations hereunder, Mortgagor hereby assigns, transfers and sets over to Lender all of Mortgagor's right, title and interest in, to and under all of the leases now or hereafter affecting the Mortgaged Property or any part thereof and in and to all of the rents, issues, profits, revenues, awards and other benefits now or hereafter arising from the Mortgaged Property or any part thereof. Unless and until an Event of Default occurs, Mortgagor shall be entitled to collect the rents, issues, profits, revenues, awards and other benefits of the Mortgaged Property (except as otherwise provided in this Mortgage) as and when they become due and payable. Lender shall be liable to account only for rents, issues, profits, revenues, awards and other benefits of the Mortgaged Property actually received by Lender pursuant to any provision of this Mortgage.

1.11 Expenses. Mortgagor shall immediately upon demand pay or reimburse Lender for all attorney's fees, costs and expenses incurred by Lender in any proceedings involving the estate of a decedent, an insolvent or a bankrupt, or in any action, proceeding or dispute of any kind in which the Lender is made a party, or appears as an intervenor or party plaintiff or defendant affecting or relating to the Notes, this Mortgage, borrowers, or the Mortgaged Property, including, but not limited to, the foreclosure of this Mortgage, any condemnation action involving the Mortgaged Property, or any action to protect the security hereof, and any such amounts paid by Lender shall be added to the indebtedness Secured Hereby and secured by the lien and security interest of this Mortgage, shall bear interest at the rate provided in the Mortgage Note for interest payable after default (the "Default Rate") and shall be due and payable upon demand.

1.12 Books, Records and Accounts. Mortgagor shall keep and maintain or will cause to be kept and maintained proper and accurate books, records and accounts reflecting all items of income and expense in connection with the operation of the Mortgaged Property or in connection with any services, equipment or furnishings provided in connection with the operation of the Mortgaged Property, whether such income or expenses be realized by Mortgagor or by any other person or entity whatsoever. Lender or its designee shall have the right from time to time, upon reasonable notice, at all times during normal business hours to examine such books, records and accounts at the office of Mortgagor or other person or entity maintaining such books,

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records and accounts and to make copies or extracts thereof as Lender shall desire. Mortgagor shall from time to time furnish to Lender such financial statements and information as Lender may reasonably request.

1.13 Estoppel Affidavits. Mortgagor, within ten (10) days after written request from Lender, shall furnish a written statement, duly acknowledged, setting forth the unpaid principal of, and interest on, the Indebtedness Secured Hereby and whether or not any offsets or defenses exist against such principal and interest.

1.14 Subrogation. Lender shall be subrogated to the claims and liens of all parties whose claims or liens are discharged or paid with the proceeds of the Indebtedness Secured Hereby.

1.15 Impairment of Security. Without limitation of any other provision hereof, Mortgagor shall not assign, in whole or in part, the rents, income or profits arising from the Mortgaged Property without the prior written consent of Lender; any such assignment made without Lender's prior written consent shall be null and void and of no force and effect and the making thereof shall, at the option of Lender, constitute a default under this Mortgage. Without limitation of the foregoing, Mortgagor shall not in any other manner impair the security of this Mortgage for the payment of the Indebtedness Secured Hereby.

1.16 Use of Mortgaged Property. Mortgagor shall not make, suffer or permit, without the prior written consent of Lender, any use of the Mortgaged Property for any purpose other than that for which the same is used or intended to be used as of the date of this Mortgage.

1.17 Use of Proceeds.

(a) Mortgagor represents and agrees that the proceeds of the Notes secured by this Mortgage will be used for the purposes specified in Paragraph 6404(1)(c) of Chapter 17 of the Illinois Revised Statutes, and that the Indebtedness Secured Hereby constitutes a business loan which comes within the purview of said Paragraph 6404(1)(c).

(b) All agreements between Borrowers and Lender (including, without limitation, this Mortgage, the Notes and any other documents securing the Indebtedness Secured Hereby) are expressly limited so that in no event whatsoever shall the amount paid or agreed to be paid to Lender exceed the highest lawful rate of interest permissible under the laws of the State of Illinois. If, from any circumstances whatsoever, fulfillment of any provision hereof or of the Notes or any other documents securing the Indebtedness Secured Hereby, at the time performance of such provision shall be due, shall involve exceeding the limit of validity prescribed by law which a court of competent jurisdiction may deem applicable hereto, then ipso facto, the obligation to be fulfilled shall be reduced to the highest lawful rate of interest permissible under the laws of the State of Illinois, and if for any reason whatsoever, Lender shall ever receive as interest an amount which would be deemed unlawful, such interest shall be applied to the payment of the last maturing installment or installments of the Indebtedness Secured Hereby (whether or not then due and payable) and not to the payment of interest.

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1.18 Prohibition of Transfer. Mortgagor shall not, without the prior written consent of Lender, sell, assign or transfer, whether, directly or indirectly, by operation of law or otherwise, all or any portion of its interest in the Mortgaged Property. Any such sale, assignment or transfer made without Lender's prior written consent, shall be null and void and of no force and effect, but the attempt at making thereof shall, at the option of Lender, constitute an Event of Default under this Mortgage.

1.19 Prohibition of Further Encumbrance. Mortgagor shall not, without the prior written consent of Lender, further mortgage, grant a deed of trust, pledge or otherwise encumber, whether by operation of law or otherwise, all or any of their respective interests in the Mortgaged Property. Any such encumbrance, made without Lender's prior written consent shall be null and void and of no force or effect, but the attempt at making thereof shall, at the option of Lender, constitute an Event of Default under this Mortgage.

1.20 Environmental Matters. Mortgagor hereby represents, warrants and covenants to Lender as follows:

(a) The Mortgaged Property and the use and operation thereof, are currently in compliance and will remain in compliance with all applicable environmental, health and safety laws and regulations;

(b) To the best knowledge of Mortgagor, the Mortgaged Property has never been used for any of (i) a sanitary landfill, (ii) a dump, or (iii) a manufacturing, processing or disposal site for wastes, petroleum products, pesticides or toxic or hazardous substances or materials of any kind;

(c) neither Mortgagor nor Logan Square (i) has received any notice of any hazardous or toxic or other waste substances or materials, in, under or upon the Mortgaged Property or of any violation of any environmental protection laws or regulations with respect to the Mortgaged Property or (ii) knows of any basis for any such notice or violation with respect to the Mortgaged Property. Mortgagor covenants and agrees that no waste, petroleum products, pesticides or toxic or hazardous substances or materials, within the definition of any applicable statute or regulation, shall be used or stored upon the Mortgaged Property and that Mortgagor shall protect, defend, indemnify and hold Lender harmless from and against all loss, cost (including attorneys' fees), liability and damage whatsoever because of or in any way resulting from any violation or claimed violation of any of the covenants or agreements set forth in this Paragraph or any applicable statute or regulation for the protection of the environment which occurs upon the Mortgaged Property, or by reason of the imposition of any governmental lien for the recovery of environmental cleanup costs expended by reason of such violation, without regard to fault on the part of Mortgagor. Mortgagor shall, from time to time, if and when required by Lender, at Mortgagor's expense, have an engineer satisfactory to Lender (i) perform a site investigation of the Mortgaged Property to determine the existence and levels of hazardous substances on the Mortgaged Property and (ii) issue a report certifying the results of such inspection to Lender.

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(d) There are no pending or, to the best knowledge of Mortgagor, threatened, actions or proceedings (or notices of potential actions or proceedings) from any governmental agency or any other entity regarding any environmental, health or safety law, waste disposal or "superlien" or similar governmental actions, or proceedings that would affect or impair the value or usefulness of the Mortgaged Property. Mortgagor shall promptly notify Lender of any notices, or any pending or threatened action or proceeding in the future, and Mortgagor shall promptly cure and have dismissed with prejudice any such actions and proceedings to the satisfaction of Lender.

(e) With respect to their businesses and all operations conducted on the Mortgaged Property, Mortgagor and Logan Square have and will continue to lawfully dispose of their wastes.

(f) Mortgagor assumes all obligations of compliance with all environmental requirements imposed by federal, state and local authorities that affect the Mortgaged Property or any business or other activity conducted thereon or therewith. Any fees, costs and expenses imposed upon or incurred by Lender at any time and from time to time on account of any breach of any of the covenants, representations or warranties contained in this Paragraph shall be immediately due and payable by Mortgagor to Lender upon demand for reimbursement for same, and shall (together with interest thereon at the Default Rate accruing from the date such fees, costs and expenses are so imposed upon or incurred by Lender) become part of the Indebtedness Secured Hereby. Mortgagor hereby covenants and agrees to protect, defend, indemnify, and hold harmless Lender from any and all such costs and expenses.

#### ARTICLE II

2.01 Events of Default. Without limitation of any other provision hereof, the terms "Event of Default" or "Events of Default", wherever used in this Mortgage, shall mean any one or more of the following events:

(a) Failure by Borrowers to pay when due any payment of principal or interest under the Notes; or

(b) Failure by Mortgagor to pay when due any payment under this Mortgage; or

(c) Failure by Mortgagor to duly observe or perform any other term, covenant, condition or agreement of this Mortgage; or

(d) Failure by Mortgagor or Logan Square to duly observe or perform any term, covenant, condition or agreement in any assignment or other agreement or instrument given or made as additional security for the performance of the Notes or this Mortgage; or

(e) The death or adjudicated incompetency of any "Guarantor" (as defined in the Guaranty); or

(f) The Land or any part thereof at any time is or becomes located in a designated flood or mud slide area and the insurance required by Paragraph 1.06(ii) hereof is not available or becomes unavailable, either because the local governmental authority having jurisdiction over the Land is a "non-participating"

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community in any governmental program providing or subsidizing such flood or mud slide hazard insurance, or for some other reason; or

(g) The filing by any of Mortgagor, Logan Square or any Guarantor of a voluntary petition in bankruptcy or the filing by any Mortgagor, Logan Square or any Guarantor of any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other law or regulation relating to bankruptcy, insolvency or other relief for debtors, or any Mortgagor, Logan Square or any Guarantor seeking or consenting to or acquiescing in the appointment of any trustee, receiver or liquidator of itself or any portion of its assets or of all or any part of the Mortgaged Property or of any or all of the rents, issues, profits or revenues thereof, or the making of any general assignment for the benefit of creditors, or the admission in writing of its inability to pay its debts generally as they become due; or

(h) The entry by a court of competent jurisdiction of an order, judgment or decree approving a petition filed against any Mortgagor, Logan Square or any Guarantor seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal, state or other law or regulation relating to bankruptcy, insolvency or other similar relief for debtors, which order, judgment or decree remains unvacated and unstayed for an aggregate of sixty (60) days (whether or not consecutive) from the date of entry thereof, or the appointment of any trustee, receiver or liquidator for or on behalf of any Mortgagor, Logan Square or any Guarantor or of all or any part of the Mortgaged Property or of any or all of the rents, issues, profits or revenues thereof without each party's consent or acquiescence, which appointment shall remain unvacated or unstayed for an aggregate of sixty (60) days (whether or not consecutive); or

(i) The transfer or further encumbrance of the Mortgaged Property as prohibited by paragraphs 1.18 and 1.19, respectively, hereof.

2.02 Acceleration of Maturity. If an Event of Default shall have occurred and be continuing, then the entire Indebtedness Secured Hereby shall, at the option of Lender, immediately become due and payable without notice or demand.

2.03 Lender's Right to Enter and Take Possession, Operate and Apply Revenues.

(a) If an Event of Default shall have occurred and be continuing, Mortgagor, upon demand of Lender, shall forthwith surrender to Lender the actual possession, and if and to the extent permitted by law, Lender itself, or by such officers or agents as it may appoint, may enter and take possession, of all or any part of the Mortgaged Property, and may exclude Mortgagor and its agents and employees wholly therefrom except that Mortgagor may have joint access with Lender to the books, papers and accounts of Mortgagor.

(b) If Mortgagor shall for any reason fail to surrender or deliver the Mortgaged Property or any part thereof after such demand by Lender, Lender may obtain a judgment or decree



conferring on Lender the right to immediate possession or requiring the delivery of immediate possession of all or part of such Mortgaged Property to Lender, to the entry of which judgment or decree Mortgagor hereby specifically consent.

(c) Mortgagor shall pay to the Lender, upon demand, all expenses (including, without limitation, fees and expenses of attorneys, accountants and agents) of obtaining such judgment or decree or of otherwise seeking to enforce its rights under the Notes or this Mortgage; and all such expenses shall, until paid, be secured by this Mortgage and shall bear interest at the Default Rate.

(d) Upon every such entering upon or taking of possession, Lender may hold, store, use, operate, manage and control the Mortgaged Property and conduct the business thereof, and, from time to time (i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional fixtures, personalty or other property; (ii) insure or keep the Mortgaged Property insured; (iii) manage and operate the Mortgaged Property and exercise all the rights and powers of the Mortgagors to the same extent as Mortgagor could in its own name or otherwise with respect to the same; and (iv) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted to Lender, all as Lender from time to time may determine to be to its best advantage. Lender may collect and receive all the rents, issues, profits and revenues of the same, including those past due as well as those accruing thereafter, and, after deducting (aa) all expenses of taking, holding, managing and operating the Mortgaged Property (including compensation for the services of all persons employed for such purposes); (bb) the cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements, purchases and acquisitions; (cc) the cost of such insurance; (dd) such taxes, assessments and other similar charges as Lender may determine to pay; (ee) other proper charges upon the Mortgaged Property or any part thereof; and (ff) the reasonable compensation, expenses and disbursements of the attorneys and agents of Lender, shall apply the remainder of the monies and proceeds so received by Lender, first to payment of accrued interest under the Notes; second to the payment of taxes, assessments and other charges against the Mortgaged Property; and third to the payment of principal of the Notes.

(e) If any Event of Default shall occur and be continuing, Lender may, in addition to any other rights and remedies hereunder, exercise any and all remedies provided in any of the Loan Documents.

(f) Lender shall have no liability for any loss, damage, injury, cost or expense resulting from any action or omission by it or its representatives which was taken or omitted in good faith.

2.04 Performance by Lender of Defaults. If default shall occur in the payment, performance or observance of any term, representation, warranty, covenant or condition of this Mortgage (whether or not the same shall constitute an Event of Default), Lender may, at its option, pay, perform or observe the same or take any action necessary to cause any representation or warranty to be true, and all payments made or costs or expenses incurred by

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Lender in connection therewith, shall be secured hereby and shall be, without demand, immediately repaid by Mortgagor to Lender with interest thereon at the Default Rate. Lender shall be the sole judge of the necessity for any such actions and of the amounts to be paid. Lender is hereby empowered to enter and to authorize others to enter upon the Mortgaged Property or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without thereby becoming liable to Mortgagor or any person in possession holding under the Mortgage.

2.05 Receiver. If an Event of Default shall have occurred and be continuing, Lender, upon application to a court of competent jurisdiction, shall be entitled as a matter of strict right without notice and without regard to the occupancy or value of any security for the Indebtedness or the insolvency of any party bound for its payment to the appointment of a receiver to take possession of and to operate the Mortgaged Property and to collect and apply the rents, issues, profits and revenues thereof. The receiver shall have all of the rights and powers to the fullest extent permitted by law. Mortgagor shall pay to Lender upon demand (with interest thereon at the Default Rate) all expenses, including receiver's fees, attorneys' fees, costs and agent's compensations, incurred pursuant to the provisions of this Paragraph 2.05; and all such expenses shall be secured by this Mortgage and shall bear interest at the Default Rate.

2.06 Lender's Power of Enforcement. If an Event of Default shall have occurred and be continuing, Lender may, either with or without entry or taking possession as herein provided or otherwise, proceed by suit or suits at law or in equity or by any other appropriate proceeding or remedy (a) to enforce payment of the Notes or the performance of any term, covenant, condition or agreement of this Mortgage or any other right, (b) to foreclose this Mortgage and to sell the Mortgaged Property as an entirety or otherwise, as Lender may determine, and (c) to pursue any other remedy available to it, including any remedy available to it under any of the Loan Documents, all as Lender shall deem most effectual for such purposes. Lender may take action either by such proceedings or by the exercise of its powers with respect to entry or taking possession, as Lender may determine. Lender may elect to pursue any one or more or all of the foregoing.

2.07 Purchase by Lender. Upon any foreclosure sale, Lender may bid for and purchase the Mortgaged Property and shall be entitled to apply all or any part of the Indebtedness Secured Hereby as a credit to the purchase price.

2.08 Fees and Expenses; Application of Proceeds of Sale. In any suit to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness Secured Hereby in the decree for sale all costs and expenses which may be paid or incurred by or on behalf of Lender or holders of the Notes for attorneys' fees, appraiser's fees, receiver's costs and expenses, insurance, taxes, outlays for documentary and expert evidence, costs for preservation of the Mortgaged Property, stenographer's charges, publication cost and costs of procuring all abstracts of title, title searches and examinations, guarantee policies, Certificates of Title issued by the Registrar of Titles (Torrens certificates), and similar data and assurances with respect to title as Lender or holders of the Notes may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title

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to or value of the Mortgaged Property or for any other reasonable purpose. The amount of any such costs and expenses which may be paid or incurred after the decree for sale is entered may be estimated and the amount of such estimate may be allowed and included as additional Indebtedness Secured Hereby in the decree for sale. In the event of a foreclosure sale of the Mortgaged Property, the proceeds of said sale shall be applied, first, to the expenses of such sale and of all proceedings in connection therewith, including attorneys' fees, then to insurance premiums, liens, assessments, taxes and charges, including utility charges, then to payment of the outstanding principal balances of the Notes in such amounts as Lender shall determine, then the balance of Indebtedness Secured Hereby, then to the accrued interest on all of the foregoing, and finally the remainder, if any, shall be paid to Mortgagor.

2.09 Waiver of Appraisal, Valuation, Stay, Extension and Redemption Laws. Mortgagor agrees to the full extent permitted by law, that if an Event of Default occurs hereunder, neither Mortgagor nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisal, valuation, stay, extension, marshalling of assets, homestead or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, or the absolute sale of the property hereby conveyed, or the final and absolute putting into possession thereof, immediately after such sale, of the purchasers thereof, and Mortgagor, for itself and all who may at any time claim through or under them, hereby waives and releases to the full extent that it may lawfully so do, the benefit of all such laws (including, without limitation, all rights under and by virtue of the homestead exemption laws and redemption laws of the State of Illinois) and any and all rights to have the assets comprised in the security intended to be created hereby marshalled upon any foreclosure of the lien hereof. Mortgagor represents that it is duly authorized and empowered, to execute this Mortgage, including the foregoing agreements, waivers and releases.

2.10 Waiver of Marshalling of Security. Mortgagor and all parties who may claim through or under Mortgagor hereby waive and release any right to require the marshalling of security for the payment of the Indebtedness Hereby Secured.

2.11 Leases. Lender, at its option, is authorized to foreclose this Mortgage subject to the rights of any tenants of the Mortgaged Property, and the failure to make such tenants parties to any such foreclosure proceedings and to foreclose their rights will not be, nor be asserted to be by Mortgagor, a defense to any proceedings instituted by Lender to collect the sums secured hereby, or any deficiency remaining unpaid after the foreclosure sale of the Mortgaged Property.

2.12 Discontinuance of Proceedings and Restoration of the Parties. In case Lender shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Lender, then and in every such case Mortgagor and Lender shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Lender shall continue as if no such proceeding had been taken.

2.13 Remedies Cumulative. No right, power or remedy conferred upon or reserved to Lender by this Mortgage is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

2.14 Waiver. No delay or omission of Lender or of any holder of the Notes to exercise any right, power or remedy accruing upon any default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such default, or acquiescence therein; and every right, power and remedy given by this Mortgage to Lender may be exercised from time to time and as often as may be deemed expedient by Lender. No consent or waiver, expressed or implied, by Lender to or of any breach or default by Mortgagor in the performance of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of the same or any other obligations of Mortgagor hereunder. Failure on the part of Lender to complain of any acts or failure to act or to declare an Event of Default, irrespective of how long such failure continues, shall not constitute a waiver by the Lender of its rights hereunder or impair any rights, powers or remedies on account of any breach or default by Mortgagor.

If Lender (a) grants forbearance or an extension of time for the payment of any sums secured hereby; (b) takes other or additional security for the payment of any sums secured hereby; (c) waives or does not exercise any right granted herein or in the Notes or in any other document or instrument securing the Notes; (d) releases with or without consideration any of the Mortgaged Property from the lien of this Mortgage or any other security for the payment of the Indebtedness Secured Hereby; (e) changes any of the terms, covenants, conditions or agreements of the Notes or this Mortgage or in any other document or instrument securing the Notes; (f) consents to the filing of any map, plat or replat or condominium declaration affecting the Mortgaged Property; (g) consents to the granting of any easement or other right affecting the Mortgaged Property; or (h) makes or consents to any agreement subordinating the lien hereof; any such act or omission shall not release, discharge, modify, change or affect (except to the extent of the changes referred to in clause (e) above) the original liability under the Notes, this Mortgage or any other obligation of Mortgagors or any subsequent purchaser of the Mortgaged Property or any part thereof, or any maker, co-signer, endorser, surety or guarantor; nor shall any such act or omission preclude Lender from exercising any right, power or privilege herein granted or intended to be granted in the event of any default then made or of any subsequent default, nor, except as otherwise expressly provided in an instrument or instruments executed by Lender, shall the lien of this Mortgage or the priority thereof be altered thereby, whether or not there are junior lienors and whether or not they consent to any of the foregoing. In the event of the sale or transfer, by operation of law or otherwise, of all or any part of the Mortgaged Property, Lender, without notice, is hereby authorized and empowered to deal with any such vendee or transferee with reference to the Mortgaged Property or the Indebtedness Secured Hereby, or with reference to any of the terms, covenants, conditions or agreements hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any liabilities,



obligations or undertakings. The foregoing shall not limit the prohibition against such sale or transfer set forth in Paragraph 1.18 hereof.

Without limitation of the foregoing, the right is hereby reserved by Lender to make partial release or releases of the Mortgaged Property, or of any other security held by Lender with respect to all or any part of the Indebtedness Secured Hereby, without notice to, or the consent, approval or agreements of, other parties in interest, including junior lienors, which partial release or releases shall not impair in any manner the validity or priority of this Mortgage on the portion of said property not so released.

2.15 Subordination. All claims and indebtedness of Mortgagor against Logan Square and all claims and indebtedness of Logan Square against Mortgagor shall be subordinate to the lien of this Mortgage and any other instrument of security securing payment of the Indebtedness Secured Hereby and to the claims of Lender under the Notes and this Mortgage.

### ARTICLE III

3.01 Suits to Protect the Mortgaged Property. Upon the occurrence of an Event of Default hereunder, Lender shall have the power (a) to institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Mortgaged Property by any acts which may be unlawful or in violation of this Mortgage; (b) to preserve or protect its interest in the Mortgaged Property and in the rents, issues, profits and revenues arising therefrom; and (c) to restrain the enforcement of or compliance with any legislation or other governmental enactment, regulation, rule, order or other requirement that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, regulation, rule, order or other requirement would impair the security hereunder or be prejudicial to the interest of Lender, and all costs and expenses incurred by Lender in connection therewith (including, without limitation, attorneys' fees) shall be paid by Mortgagor to Lender on demand (with interest at the Default Rate) and shall be additional Indebtedness Secured Hereby.

3.02 The Lender May File Proofs of Claim. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Mortgagor, its creditors or its property, or Logan Square, Lender, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Lender allowed in such proceedings for the entire amount due and payable by Mortgagor under this Mortgage at the date of the institution of such proceedings and for any additional amount which may become due and payable by Mortgagor hereunder after such date.

3.03 Successors and Assigns. This Mortgage shall inure to the benefit of and be binding upon Mortgagor and Lender and their respective heirs, executors, legal representatives, successors and assigns. Whenever a reference is made in this Mortgage to Mortgagor or Lender, such reference shall be deemed to include a reference to the heirs, executors, legal representatives, successors and assigns of Mortgagor or Lender.

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3.04 Notices. All notices, demands and requests given or required to be given by either party hereto to the other party shall be in writing. All such notices, demands and requests by the Lender to Mortgagor shall be deemed to have been properly given if served in person or if sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to Mortgagor at:

c/o Logan Square Aluminum Supply, Inc.  
2470 North Milwaukee Avenue  
Chicago, Illinois 60647

with a copy to:

Grund, Marcus & McNish  
111 West Washington Street  
Suite 1861  
Chicago, Illinois 60602-2712  
Attention: Robert Knabe

or to such other address as Mortgagor may from time to time designate by written notice to Lender given as herein required. All notices, demands and requests by Mortgagor to Lender shall be deemed to have been properly given if served in person or if sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to Lender at:

Continental Illinois National Bank  
and Trust Company of Chicago  
Private Business Division  
231 South LaSalle Street  
2nd Floor  
Chicago, Illinois 60697  
Attention: Mr. Gordon Carlson

with a copy to:

Katten Muchin & Zavis  
525 West Monroe Suite 1600  
Chicago, Illinois 60606  
Attention: Authur Pape

or to such other address as the Lender may from time to time designate by written notice to the Mortgagor given as herein required. Notices, demands and requests given by mail in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder two (2) days after the time such notice, demand or request shall be deposited in the mails.

3.05 Terminology. All personal pronouns used in this Mortgage, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles and sections are for convenience only and neither limit nor amplify the provisions of this Mortgage itself, and all references herein to Articles, Sections or Paragraphs shall refer to the corresponding Articles, Sections or Paragraphs of this Mortgage unless specific reference is made to such Articles, Sections or Paragraphs of another document or instrument.

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

3.07 Applicable Law. This Mortgage shall be interpreted, construed and enforced according to the laws of the State of Illinois.

3.08 Security Agreement. This Mortgage shall be construed as a "Security Agreement" within the meaning of and shall create a security interest under the Uniform Commercial Code as adopted by the State of Illinois with respect to any part of the Mortgaged Property which constitutes fixtures or personal property. The Lender shall have the rights with respect to such fixtures and personal property afforded to it by said Uniform Commercial Code in addition to, but not in limitation of, the other rights afforded the Lender by this Mortgage or any other agreement.

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

3.10 No Merger. It being the desire and the intention of the parties hereto that this Mortgage and the lien hereof do not merge in fee simple title to the mortgaged Property, it is hereby understood and agreed that should Lender acquire any additional or other interests in or to said property or the ownership thereof, then, unless a contrary interest is manifested by Lender as evidenced by an appropriate document duly recorded, this Mortgage and the lien hereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

3.11 Delivery of Summons, Etc. If any action or proceeding shall be instituted to evict Mortgagor or recover possession of the Mortgaged Property or any part thereof or otherwise affecting the Mortgaged Property or this Mortgage, Mortgagor shall immediately, upon service thereof on or by Mortgagor, deliver to Lender a true copy of each precipe, petition, summons, complaint, notice of motion, order to show cause and all other process, pleadings and papers, however designated, served in any such action or proceeding.

3.12 No Partnership. Mortgagor acknowledges and agrees that in no event shall Lender be deemed to be a partner or joint venturer with Mortgagor. Without limitation of the foregoing, Lender shall not be deemed to be such a partner or joint venturer on account of its becoming a mortgagee in possession or exercising any rights pursuant to this Mortgage or pursuant to any other instrument or document securing any portion of the Indebtedness Secured Hereby or on account of receiving contingent interest, if any, or any release fee for partial releases of this Mortgage, or otherwise.

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IN WITNESS WHEREOF, Mortgagor has caused these presents to be signed by its duly authorized representatives as of the day and year first above written.

ATTEST:

[Signature]  
Its Secretary Secretary

(SEAL)

2470 North Milwaukee Corp., an Illinois corporation

By: [Signature]  
Its: [Signature]

Property of Cook County Clerk's Office

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STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

I, THERESA M. PEDZIWIATE, in and for said County, in the State aforesaid, DO HEREBY CERTIFY that ISAAC SILVER personally known to me to be the President of 2470 North Milwaukee Corporation, an Illinois corporation, and DAVID J. GRUND personally known to me to be the ASSISTANT Secretary of said corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and ASSISTANT Secretary of said corporation, they signed and delivered the said instrument, and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of said corporation as their free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 23<sup>RD</sup> day of July, 1987.

Theresa M. Pedziwiate  
Notary Public

My Commission Expires:  
February 20, 1988

CLERK OF COOK COUNTY CLERK'S OFFICE

PROPERTIES OF 2470 NORTH MILWAUKEE CORP.

PARCEL I

- 1. Address: 2446-50 North Milwaukee, Chicago, Illinois  
Tax I.D. No. 13-25-326-001 and 002 Vol. 529

FRO

PARCELS II & III

- 2. Address: 2470-88 N. Milwaukee, Chicago, Illinois  
Tax I.D. No. 13-25-314-020, 021, 022, 023, 024, 025  
Vol. 529

ELO  
EPO

PARCEL IV

- 3. Address: 2488-96 N. Milwaukee, Chicago, Illinois  
Tax I.D. No. 13-25-314-019 Vol. 529

ELO

PARCEL V

- 4. Address: 2502 N. Milwaukee, Chicago, Illinois  
Tax I.D. No. 13-25-314-018 Vol. 529

ELO

PARCELS VI & VII

- 5. Address: 2504-20 N. Milwaukee, Chicago, Illinois  
Tax I.D. No. 13-25-314-034 and 036 Vol. 529

ELO

PARCEL VIII

- 6. Address: 2530 N. Milwaukee, Chicago, Illinois  
Tax I.D. No. 13-25-314-038 Vol. 529

ELO

PARCEL IX

- 7. Address: 2451 N. Sacramento, Chicago, Illinois  
Tax I.D. No. 13-25-321-001 Vol. 529

FQO

PARCELS X & XI

- 8. Address: 2449 N. Sacramento, Chicago, Illinois  
Tax I.D. No. 13-25-321-002 and 011 Vol. 529

FQO

PARCELS XII & XIII

- 9. Address: 201 W. 87th Street, Chicago, Illinois  
Tax I.D. No. 25-04-200-003 and 009 Vol. 448

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## PARCEL XIV

10. Address: 2534-2544 N. Milwaukee, Chicago, Illinois  
Tax I.D. No. 13-25-314-012/030 Vol. 529

*EMO ELO*

## PARCEL XV

11. Address: 2914 N. Milwaukee, Chicago, Illinois  
Tax I.D. No. 13-26-222-009/010 Vol. 354

*A70*

## PARCEL XVI

12. Address: 2432-42 N. Milwaukee, Chicago, Illinois  
Tax I.D. No. 13-25-326-003/004/005/006 Vol. 529

*7R0*

## PARCEL XVII

13. Address: 2459 N. Milwaukee, Chicago, Illinois  
Tax I.D. No. 13-25-321-012 Vol. 529

*7T0*

## PARCEL XVIII

14. Address: 2155 N. Milwaukee, Chicago, Illinois  
Tax I.D. No. 13-25-321-013 Vol. 529

*7Q0*

Property of Cook County Clerk's Office

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## EXHIBIT A

### Legal Description

#### PARCEL I.

LOTS 2, 3, 4 AND 5 (EXCEPT THAT PART THEREOF TAKEN FOR THOMAS STREET) IN THE SUBDIVISION OF BLOCK 6 IN GEORGE A. BEAVERN'S SUBDIVISION IN THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

#### PARCEL II.

LOTS 1, 2, 3, 4 AND 5 IN BLOCK 1 IN INGHAM'S SUBDIVISION OF PART OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

#### PARCEL III.

LOTS 1, 2, 3, 4 AND 5 IN BLOCK 1 IN THE SUBDIVISION OF BLOCKS 4 AND 6 IN COUNTY CLERK'S DIVISION OF PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

#### PARCEL IV.

LOTS 6, 7, 8, 9 AND 10 IN BLOCK 1 IN THE SUBDIVISION OF BLOCKS 4 AND 6 IN COUNTY CLERK'S DIVISION OF PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

#### PARCEL V.

LOT 11 IN BLOCK 1 IN THE SUBDIVISION OF BLOCKS 4 AND 6 IN COUNTY CLERK'S DIVISION OF PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

#### PARCEL VI.

LOTS 12, 13, 14, 15, 16 AND 17 (EXCEPT THE NORTHWESTERLY 4 INCHES OF LOT 17), IN BLOCK 1 IN THE SUBDIVISION OF BLOCKS 4 AND 6 IN COUNTY CLERK'S DIVISION OF PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THAT PORTION OF SAID LOTS HERETOFORE CONDEMNED BY THE CITY OF CHICAGO), IN COOK COUNTY, ILLINOIS.

#### PARCEL VII.

LOT 18 IN BLOCK 1 IN THE SUBDIVISION OF BLOCKS 4 AND 6 IN COUNTY CLERK'S DIVISION OF PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THAT PORTION OF SAID LOTS HERETOFORE CONDEMNED BY THE CITY OF CHICAGO), IN COOK COUNTY, ILLINOIS.

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PARCEL VIII.

LOTS 19, 20, 21 AND 22 IN BLOCK 1 IN THE SUBDIVISION OF BLOCKS 4 AND 6 IN COUNTY CLERK'S DIVISION OF PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THAT PART OF SAID LOTS DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID LOT 19, THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF LOTS 19 TO 22 TO A POINT ON THE NORTH LINE OF LOT 22, THENCE NORTHEASTERLY ALONG THE NORTH LINE OF LOT 22 A DISTANCE OF 35 FEET, THENCE SOUTHEASTERLY ALONG A STRAIGHT LINE TO A POINT ON THE SOUTHEASTERLY LINE OF LOT 19, 22.5 FEET NORTHEASTERLY OF THE SOUTHEASTERLY CORNER OF LOT 19, THENCE SOUTHEASTERLY ALONG THE SOUTHWESTERLY LINE OF SAID LOT 19 TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL IX.

LOTS 1, 2 AND 3 IN BLOCK 5 IN GEORGE A. SEAVERN'S SUBDIVISION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL X.

LOT 4 IN BLOCK 5 IN GEORGE A. SEAVERN'S SUBDIVISION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL XI.

LOT 1 IN THE RESUBDIVISION OF LOTS 5 AND 6 IN BLOCK 5 IN GEORGE A. SEAVERN'S SUBDIVISION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL XII.

A TRACT OF LAND IN THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID TRACT OF LAND BEING DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF WEST 87TH STREET, SAID POINT BEING 100 FEET SOUTH OF THE NORTH LINE OF SAID NORTHEAST QUARTER OF SECTION 4 AND 305 FEET WEST OF THE NORTH-AND-SOUTH CENTER LINE OF SAID SECTION AND RUNNING THENCE EAST ALONG SAID SOUTH LINE OF WEST 87TH STREET, A DISTANCE OF 50 FEET TO AN INTERSECTION WITH A LINE DRAWN PARALLEL WITH AND 255 FEET WEST OF SAID NORTH-AND-SOUTH CENTER LINE; THENCE SOUTH ALONG SAID PARALLEL LINE, A DISTANCE OF 357.68 FEET TO A POINT 457.68 FEET SOUTH OF SAID NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 4; THENCE NORTHWESTERLY ON A STRAIGHT LINE A DISTANCE OF 61.57 FEET TO A POINT 421.21 FEET SOUTH OF THE SAID NORTH LINE OF THE NORTHEAST QUARTER AND 305 FEET WEST OF SAID NORTH-AND-SOUTH CENTER LINE OF THE NORTHEAST QUARTER OF SECTION 4; THENCE NORTH PARALLEL WITH SAID NORTH-AND-SOUTH CENTER LINE A DISTANCE OF 321.21 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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## PARCEL XIII.

AN IRREGULAR PARCEL OF LAND IN THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: COMMENCING AT A POINT OF INTERSECTION OF THE SOUTHERLY LINE OF WEST 87TH STREET WITH A LINE 5 FEET WEST OF AND PARALLEL TO THE NORTH-AND-SOUTH CENTER LINE OF SAID NORTHEAST QUARTER WHICH POINT OF INTERSECTION IS 69.66 FEET SOUTH OF THE NORTH LINE OF SAID NORTHEAST QUARTER, THENCE SOUTHERLY ALONG SAID LINE 5 FEET WEST OF AND PARALLEL TO SAID NORTH-AND-SOUTH CENTER LINE A DISTANCE OF 570.37 FEET, THENCE NORTHWESTERLY ON A STRAIGHT LINE 307.91 FEET, MORE OR LESS, TO A POINT WHICH IS 255 FEET WEST OF SAID NORTH-AND-SOUTH CENTER LINE MEASURED AT RIGHT ANGLES THERETO AND 457.68 FEET SOUTH OF THE NORTH LINE OF SAID NORTHEAST QUARTER, THENCE NORTHERLY FROM THE LAST DESCRIBED POINT, ON A LINE 255 FEET WEST OF AND PARALLEL TO SAID NORTH-AND-SOUTH CENTER LINE, A DISTANCE OF 357.68 FEET TO THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF WEST 87TH STREET WITH THE LAST DESCRIBED COURSE; THENCE EASTERLY ON THE SOUTHERLY LINE OF WEST 87TH STREET, A DISTANCE OF 1.79 FEET TO A POINT; THENCE CONTINUING NORTHEASTERLY FROM THE LAST DESCRIBED POINT ON A CURVED LINE CONVEX TO THE SOUTHEAST HAVING A RADIUS OF 1033 FEET, A DISTANCE OF 251 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

## PARCEL XIV.

LOTS 23, 24 AND 25 IN BLOCK 1 IN THE SUBDIVISION OF LOTS 4 AND 6 IN THE COUNTY CLERK'S DIVISION OF PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN; AND LOTS 1 AND 2 IN ARNOLD BROS.' SUBDIVISION OF LOT 5 IN COUNTY CLERK'S DIVISION OF PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF THE AFORESAID SECTION 25; ALL TAKEN AS A TRACT, EXCEPTING FROM SAID TRACT THAT PART LYING SOUTHWESTERLY AND WESTERLY OF THE FOLLOWING DESCRIBED LINE; BEGINNING ON THE NORTHWESTERLY LINE OF SAID TRACT (BEING ALSO THE NORTHWESTERLY LINE OF THE AFORESAID LOT 2) AT A POINT 42.12 FEET SOUTHWEST OF THE MOST NORTHERLY CORNER THEREOF; THENCE SOUTHERLY 20.088 FEET, MORE OR LESS, TO A POINT 11.07 FEET SOUTHEASTERLY OF THE NORTHEASTERLY LINE OF SAID TRACT AT A POINT 58.64 FEET SOUTHWEST OF THE MOST NORTHERLY CORNER THEREOF, TO THE SOUTHEASTERLY LINE OF SAID TRACT (BEING ALSO THE SOUTHEASTERLY LINE OF THE AFORESAID LOT 23) AT A POINT 75.31 FEET SOUTHWEST OF THE MOST EASTERLY CORNER THEREOF, THENCE SOUTHEASTERLY ALONG THE LAST DESCRIBED LINE 114.763 FEET, MORE OR LESS, TO THE SOUTHEASTERLY LINE OF SAID TRACT, ALL IN COOK COUNTY, ILLINOIS.

## PARCEL XV.

LOT 15 AND THAT PART OF LOT 16 DESCRIBED AS FOLLOWS: BEGINNING AT THE MOST NORTHERLY CORNER OF LOT 16, THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF LOT 16 A DISTANCE OF 1.52 FEET TO THE NORTHWESTERLY FACE OF A BRICK WALL, THENCE SOUTHWESTERLY ALONG THE NORTHWESTERLY FACE OF SAID BRICK WALL A DISTANCE OF 49.88 FEET; THENCE SOUTHWESTERLY 45 DEGREES MEASURED FROM THE PROLONGATION OF THE LAST DESCRIBED COURSE A DISTANCE OF 2.05 FEET TO THE NORTHWESTERLY LINE OF SAID LOT 16; THENCE NORTHEASTERLY A DISTANCE OF 51.38 FEET ALONG THE NORTHWESTERLY LINE OF SAID LOT 16 TO THE POINT OF BEGINNING IN BLOCK 1 IN WILLIAM E. HATTERMAN'S MILWAUKEE AVENUE SUBDIVISION OF THE NORTHEAST QUARTER OF SECTION 26, TOWNSHIP 40 NORTH RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS,

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PARCEL XVI.

LOTS 6, 7, 8, 9, AND 10 IN THE SUBDIVISION OF BLOCK 6 IN GEORGE A. SEAVERN'S SUBDIVISION IN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL XVII.

LOT 2 IN THE RESUBDIVISION OF LOTS 5 AND 6 IN BLOCK 5 IN GEORGE A. SEAVERN'S SUBDIVISION IN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL XVIII.

LOT 7 IN GEORGE A. SEAVERN'S SUBDIVISION IN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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Exhibit B

Permitted Title Exceptions:

Those exceptions shown in Schedule B of that certain Title Commitment No. L-801668-C8 issued by Land Title America, Inc. dated June 2, 1987 (revised) and identified as exception Nos. 17, 18, 20, 21, 22, 23, 24, 25, 26, 27, 28, 30, 32, and 37, and current general real estate taxes not yet due and payable.

Property of Cook County Clerk's Office

DEPT-01 RECORDING \$38.00  
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#7793 # A \* - 87 - 530920  
COOK COUNTY RECORDER

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