

FIRST MORTGAGE AND SECURITY AGREEMENT

THIS FIRST MORTGAGE AND SECURITY AGREEMENT (the "Mortgage") is entered into this 10th day of October, 1987, but only to be effective on and after October 11, 1987, by WISCONSIN CENTRAL LTD., an Illinois corporation (the "Mortgagor"), having its principal office at 1420 Renaissance Drive, Park Ridge, Illinois 60068, in favor of IRVING TRUST COMPANY, a New York bank, having its principal office at One Wall Street, New York, New York 10015, individually and in its separate capacity as "Agent" (the "Mortgagee") for the banks ("Banks") that are, or may from time to time be, parties to that certain Credit Agreement (the "Credit Agreement"), dated October 11, 1987, among the Mortgagor, the Mortgagee and the Banks.

W I T N E S S E T H:

WHEREAS, pursuant to the Credit Agreement, the Mortgagor has executed (i) those certain "A-Notes" (as defined in the Credit Agreement) dated October 11, 1987, in the aggregate principal amount of Ten Million and No/100 Dollars (\$10,000,000.00), payable to the order of each of the Banks, and (ii) those certain "B-Notes" (as defined in the Credit Agreement) dated October 11, 1987, in the aggregate principal amount of One Hundred Million and No/100 Dollars (\$100,000,000.00), payable to the order of each of the Banks;

WHEREAS, the Mortgagee may, from time to time, issue Letters of Credit (as defined in the Credit Agreement) for the account of the Mortgagor;

WHEREAS, the Banks have further required that the Mortgagor execute and deliver this Mortgage to the Mortgagee, as a condition, among others, to their execution and delivery of the Credit Agreement and in order to secure the payment and performance of (i) all of the Mortgagor's obligations and liabilities hereunder, (ii) the obligations of the Mortgagor under the A-Notes, (iii) the obligations of the Mortgagor under the B-Notes, (iv) the obligations of the Mortgagor

This document was prepared by:

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After recording, this document should be returned to:

David Hunter
State Title Services
Suite 300, Capitol Park
1327 H Street
Lincoln, Nebraska 68508

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in connection with any funds that are advanced under the Letters of Credit and (v) the "Obligations" (as defined in the Credit Agreement) (all such Obligations and liabilities being hereinafter referred to collectively as the "Liabilities");

WHEREAS, the Liabilities shall mature no later than September 30, 1995; and

WHEREAS, the Liabilities secured hereby shall not exceed an aggregate principal amount, at any one time outstanding, of Two Hundred Million and No/100 Dollars (\$200,000,000.00); provided, that the foregoing limitation shall apply only to the lien upon real property created by this Mortgage, and it shall not in any manner limit, affect or impair any grant of a security interest in any personal property in favor of the Mortgagee, for the benefit of the Banks, under the provisions of the Credit Agreement or under any other security agreement at any time executed by the Mortgagor.

NOW, THEREFORE, in consideration of the premises contained herein and to secure payment of the Liabilities and in consideration of One Dollar (\$1.00) in hand paid, receipt whereof is hereby acknowledged, the Mortgagor does hereby mortgage, pledge, assign, bargain, hypothecate, convey, grant, transfer and set over unto the Mortgagee and its successors and assigns, all of its interest in the real estate described in Exhibit A attached hereto (the "Land"), and the rights, interest and privileges and all of the Mortgagor's estate, right, title and interest therein, thereto and thereunder, including, without limitation, all air rights with respect thereto, together with the property and rights described in the next succeeding paragraphs other than the "Excluded Assets" (as defined in the Credit Agreement), all of which are herein called the "Mortgaged Property," and does further grant a security interest to the Mortgagee, its successors and assigns, in all such Mortgaged Property in which a security interest may be granted;

Together with all the estate, right, title and interest of the Mortgagor, now owned, leased or hereafter acquired, in and to any real property which the Mortgagor now owns, leases or shall hereafter acquire, or in or to which it has, or shall acquire, any right, title, claim or interest, and all improvements, now existing or hereafter made, on any such real property;

Together with any and all rights of way, lands, fixtures, structures, improvements, tenements and hereditaments of whatever kind or description and wherever situated, now owned by, or at any time hereafter acquired by or for, the Mortgagor and contiguous or appurtenant to any of the

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Mortgagor's lines of railroad subject to the lien hereof, any and all main, branch, spur, industrial, switch, connecting, storage, yard or terminal tracks, trackage rights of way, easements, estates, superstructures, road beds, bridges, trestles, culverts, viaducts, electrical catenary, buildings, depots, stations, stock yards, warehouses, elevators, car houses, engine houses, freight houses, machine shops and other shops, turntables, fuel stations, water stations, signals, interlocking plants, telegraph and telephone lines, fences, docks, structures and fixtures, and all other things of whatsoever kind and in any way or at any time belonging or appurtenant to, or used in connection with, any of the Mortgagor's lines of railroad or other real property at any time subject to this Mortgage;

Together with any and all leases, leasehold rights, joint facility and other operating or trackage contracts, rights and privileges and amendments, renewals and extensions thereof, now held or hereafter acquired by the Mortgagor for use in connection with or belonging or appertaining to any of the Mortgagor's lines of railroad now or hereafter subject to the lien of this Mortgage, or relating to the ownership, use or operation of any terminals or other stations situated along, or at the terminus of, any of such lines of railroad;

Together with all the estate, right, title and interest of every name and nature of the Mortgagor in and to all Equipment (as hereinafter defined), machinery, tools, implements, furniture, work equipment and other chattels now owned or hereafter acquired by the Mortgagor or the title to which is now, or hereafter shall be, vested in the Mortgagor, including all the estate, right, title and interest now or hereafter vested in the Mortgagor in and to any and all Equipment, under any Equipment Agreement (as hereinafter defined);

Together with, any and all additions, betterments and improvements to Equipment now or at any time hereafter subject to the lien of this Mortgage, and any and all additions, betterments and improvements hereafter acquired or constructed to or upon or in connection with any of the Mortgagor's lines of railroad or to or upon or in connection with any of the telegraph and telephone and other communication lines, or to or upon or in connection with any other property, real or personal, now or at any time hereafter subject to the lien of this Mortgage;

Together with any and all corporate rights, powers, franchises, privileges, immunities, permits and licenses now or hereafter owned or possessed by the Mortgagor which now or at any time hereafter may be necessary for or appurtenant to the use, operation, management, maintenance, renewal, alteration or improvement of the Mortgagor's lines of railroad or

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any other property now or hereafter subject to the lien of this Mortgage;

Together with any and all telegraph, telephone or other communication lines, or wireless facilities, owned by the Mortgagor; and the right to the use of any and all telegraph, telephone or other communication lines, or wireless facilities, along the Mortgagor's lines of railroad, as they may be used from time to time or may be subject to use by the Mortgagor;

Together with all the rents, issues, tolls, profits and other income from the premises and property herein or hereafter mortgaged and conveyed or assigned or intended so to be:

Together with any and all property of every kind and description (including railroads, leases of railroads, stocks, bonds, or other property of any kind) which at any time hereafter by Mortgage supplemental hereto, or by writing of any kind for the purposes herein, may be expressly conveyed, assigned, transferred, mortgaged, pledged, hypothecated, affected or delivered, to the Mortgagee hereunder by the Mortgagor or by a successor corporation, or, with its consent by any one on its behalf, as and for additional security; and

Together with any and all property wherever located, whether now or hereafter acquired, together with all replacements therefor, products and proceeds (including, but without limitation, insurance proceeds) thereof, and the Mortgagor's reversionary rights therein, including, but not limited to, all Accounts, Chattel Paper, Contracts, Contract Rights, Documents, Equipment, Fixtures, General Intangibles, Instruments, Inventory, rights as seller of Goods and rights to returned or repossessed Goods (all as hereinafter defined).

It is mutually agreed, intended, and declared, that all of the aforesaid Mortgaged Property owned by the Mortgagor shall, so far as permitted by law, be deemed to form a part and parcel of the Land and for the purpose of this Mortgage to be real estate and covered by this Mortgage. It is also agreed that if any of the Mortgaged Property is of a nature so that a security interest therein can be perfected under the Uniform Commercial Code, this instrument shall constitute a security agreement, fixture filing and financing statement, and the Mortgagor agrees to execute, deliver and file or refile any financing statement, continuation statement, or other instruments the Mortgagee may specifically require from time to time to perfect or renew such security interest under the Uniform Commercial Code. To the extent permitted by law, (i) all of the goods described as fixtures or as constituting fixtures within the definition of Mortgaged

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Property are or are to become fixtures on the Land; and (ii) this instrument, upon recording or registration in the real estate records of the proper office, shall constitute a "fixture filing" within the meaning of Sections 9-313 and 9-402 of the Uniform Commercial Code.

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

TO HAVE AND TO HOLD the premises, properties, rights and privileges hereby conveyed or assigned, or intended so to be, unto the Mortgagee, its successors and assigns, forever for the uses and purposes herein set forth. The Mortgagor hereby represents and warrants that, at the time of the sealing and delivery of these presents, the Mortgagor has an interest in said Land and Mortgaged Property sufficient to operate a railroad, with good right, full power and lawful authority to sell, assign, convey and mortgage the same, and that it is free and clear of encumbrances except the Permitted Liens (as defined in the Credit Agreement) pertaining to the Land, and that the Mortgagor will defend such interests against all claims and demands whatsoever.

It is agreed and understood by the parties hereto that:

1. The Liabilities of the Mortgagor are to be secured by other mortgages and deeds of trust on other real estate in other counties and states. Each and all of said mortgages and deeds of trust are intended to and shall constitute security for the Liabilities.

2. Any part of the security herein described, and any security described in any other mortgage or other instrument now or hereafter given to secure the Liabilities, may be released before or after default by the Mortgagor without affecting the lien hereof on the remainder.

3. The Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Mortgaged Property marshalled upon any foreclosure of the lien hereof, or to have the Mortgaged Property hereunder and the property covered by any other mortgage or deed of trust securing the Liabilities of the Mortgagor marshalled upon any foreclosure of any of said mortgages or deeds of trust, and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold as an entirety.

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4. Upon the occurrence of an Event of Default hereunder, the Mortgagee has, among other things, the right to foreclose on the Mortgaged Property and dispose of the same. The Mortgagee's deed or other instrument of conveyance, transfer or release (which may be in the name of the Mortgagee or as attorney for the Mortgagor, and the Mortgagee is hereby irrevocably appointed attorney for the Mortgagor) shall be effective to convey and transfer to the grantee an indefeasible title to the property covered thereby, discharge all rights of redemption by the Mortgagor or any person claiming under it, and to bar forever all claims by the Mortgagor or the Mortgagee to the property covered thereby and no grantee from the Mortgagee shall be under any duty to inquire as to the authority of the Mortgagee to execute the same, or to see to the application of the purchase money.

SECTION 1. DEFINITIONS.

Capitalized terms used in this Mortgage and not defined herein shall have the meaning provided therefor in the Credit Agreement. The following terms shall have the following meanings for all purposes of this Mortgage:

"Accounting Rules" means generally accepted accounting principles, consistently applied, as used in the railroad industry.

"Accounts" means as it is defined in the Uniform Commercial Code.

"Chattel Paper" means as it is defined in the Uniform Commercial Code.

"Contracts" means as it is defined in the Uniform Commercial Code.

"Contract Rights" means as it is defined in the Uniform Commercial Code.

"Credit Agreement" shall have the meaning set forth above.

"Default" shall mean any event which would constitute an Event of Default if any requirement in connection therewith for the giving of notice, or the lapse of time, or the happening of any further condition, event or action had been satisfied.

"Default Rate" means the applicable rate of interest under Section 2.12 of the Credit Agreement.

"Documents" means as it is defined in the Uniform Commercial Code.

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"Equipment" means all property (other than Excluded Assets) at the time in question classified as "equipment" in the Accounting Rules and all vehicles, whether or not so classified, which may be used for the transportation of freight or for the carriage of passengers.

"Equipment Agreement" means any equipment trust agreement and lease or any conditional sale agreement, chattel mortgage or lease pertaining only to Equipment.

"Event of Default" means the events specified in Section 4.1 hereof.

"Fixtures" means as it is defined in the Uniform Commercial Code.

"General Intangibles" means as it is defined in the Uniform Commercial Code.

"Goods" means as it is defined in the Uniform Commercial Code.

"Instruments" means as it is defined in the Uniform Commercial Code.

"Interstate Commerce Commission" includes any federal governmental authority which shall at the time exercise powers in regard to railroads similar to those now exercised by the Interstate Commerce Commission.

"Inventory" means as it is defined in the Uniform Commercial Code.

"Mortgage" means this Mortgage, either as originally executed or as the same may from time to time be supplemented, modified or amended by any supplemental mortgage or indenture entered into pursuant to any of the provisions hereof.

"Notes" means the notes of even date herewith from the Mortgagor to each of the Banks in the aggregate original principal amount of \$110,000,000.00, either as originally executed or as the same may from time to time be extended or modified.

"Ownership," however expressed herein, of any item (other than Excluded Assets) mortgaged or pledged hereunder shall be construed to mean and include all realty or equipment leased or used on any basis whatever, it being the express intent of the Mortgagor to create a valid security interest in all its assets whether leased, owned in fee simple, or otherwise possessed by right or by law.

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"Permitted Liens" shall have the meaning set forth in the Credit Agreement.

SECTION 2. GENERAL COVENANTS AND WARRANTIES.

The Mortgagor covenants, warrants and agrees as follows:

2.1. Loan Document Covenants. Each and all of the terms, provisions, restrictions, covenants and agreements set forth in the Loan Documents, and in each and every supplement thereto or amendment thereof which may at any time or from time to time be executed and delivered by the parties thereto or their successors and assigns, are incorporated herein by reference to the same extent as though each and all of said terms, provisions, restrictions, covenants and agreements were fully set out herein and as though any amendment or supplement to the Loan Documents were fully set out in an amendment or supplement to this Mortgage; and the Mortgagor does hereby covenant and agree well and truly to abide by, perform and be governed and restricted by each and all of the matters provided for by the Loan Documents and so incorporated herein to the same extent and with the same force and effect as if each and all of said terms, provisions, restrictions, covenants and agreements so incorporated herein by reference were set out and repeated herein at length. Without limiting the foregoing, the Mortgagor covenants and agrees to pay when due all taxes, assessments and governmental charges or levies imposed upon this Mortgage or any indebtedness secured hereby.

2.2. Ownership of Mortgaged Property. The Mortgagor has sufficient interest in the Mortgaged Property to operate a railroad, free and clear of all liens and encumbrances whatever except the Permitted Liens, and the Mortgagor has full right, power and authority to convey transfer and mortgage the same to the Mortgagee for the uses and purposes in this Mortgage set forth; and the Mortgagor will defend such interest in the Mortgaged Property against all claims and demands whatsoever.

2.3. Further Assurances. At the request of the Mortgagee or any Bank, the Mortgagor will, at its own expense, do, execute, acknowledge and deliver all and every further act, deed, conveyance, transfer and assurance necessary or proper for the better assuring, conveying, assigning and confirming unto the Mortgagee all of the Mortgaged Property, or property intended so to be, whether now owned or hereafter acquired.

2.4. Payment of Liabilities. The Mortgagor will duly and punctually pay the Liabilities secured hereby according to the terms of the Loan Documents.

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2.5. Insurance. The Mortgagor shall, at its sole cost and expense, obtain for, deliver to, assign and maintain for the benefit of the Mortgagee, until the Liabilities are paid in full, insurance policies as specified in the Credit Agreement. In the event of a casualty loss, the net insurance proceeds from such insurance policies shall be paid and applied as specified in the Credit Agreement.

2.6. Advances. If the Mortgagor shall fail to comply with the covenants contained herein, or in any of the other Loan Documents, with respect to the procuring of insurance, the payment of taxes, assessments and other charges, or the keeping of the Mortgaged Property in repair and free of other liens, the Mortgagee may make advances to perform the same; and the Mortgagor agrees to repay all sums so advanced upon demand with interest at the Default Rate as provided in the Credit Agreement; and all sums so advanced, with interest, shall be secured hereby, but no such advance shall be deemed to relieve the Mortgagor from any default hereunder.

2.7. Recordation. The Mortgagor will, at its own expense, cause this Mortgage, all supplements hereto, and any financing statements and continuation statements required by law, including the Uniform Commercial Code, in respect thereof at all times to be kept recorded in order to fully preserve and protect the rights of the Mortgagee hereunder, and Mortgagor will pay the costs associated with obtaining an opinion of counsel stating that in the opinion of such counsel this Mortgage or such supplement, as the case may be, has been properly recorded or filed for record so as to make effective of record the lien intended to be created hereby.

2.8. After-Acquired Property. Any and all property hereafter acquired which is of the kind or nature described in the granting clauses on pages 2, 3 and 4 hereof and is or is intended to become a part thereof, shall ipso facto, and without any further conveyance, assignment or act on the part of the Mortgagor or the Mortgagee become and be subject to the lien of this Mortgage as fully and completely as though specifically described herein; but nevertheless the Mortgagor shall from time to time, if requested by the Mortgagee, execute and deliver any and all such further assurances, conveyances and assignments thereof as the Mortgagee may reasonably require for the purpose of expressly and specifically subjecting to the lien of this Mortgage any and all such property.

SECTION 3. POSSESSION, USE AND RELEASE OF PROPERTY.

3.1. Mortgagor's Right of Possession. Provided no Event of Default has occurred and is continuing, the Mortgagor shall be permitted to remain in full possession, enjoyment

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and control of the Mortgaged Property subject always to the observance and performance of the terms of this Mortgage and of the Loan Documents.

3.2. Release of Mortgaged Property - Mortgagee Consent. In addition to releases pursuant to Sections 9.02 and 9.03 of the Credit Agreement, the Mortgagor may sell, convey an interest in or otherwise dispose of any Mortgaged Property then subject to the lien of this Mortgage or any mortgage supplement hereto, and the Mortgagee shall release the same from the lien hereof, to the extent and on the terms and upon compliance with the conditions provided for in any written consent given thereto at any time or from time to time by the Mortgagee at its discretion.

3.3. Eminent Domain. The Mortgagor hereby assigns to the Mortgagee, as additional security, all awards of damage resulting from condemnation proceedings or the taking of or injury to the Mortgaged Property for public use, and the Mortgagor agrees that the proceeds of all such awards shall be paid and applied as specified in the Credit Agreement.

SECTION 4. DEFAULTS AND REMEDIES THEREFOR.

4.1. Event of Default. The Mortgagor acknowledges and agrees that each and all of the terms and provisions of the Loan Documents have been and are incorporated into this Mortgage by reference to the same extent as though fully set out herein and that the term Event of Default wherever used in this Mortgage shall mean the occurrence of an Event of Default as defined in the Credit Agreement.

4.2. Remedies. When any Event of Default has occurred, the Mortgagee may exercise any one or more or all, and in any order, of the remedies hereinafter set forth. It being expressly understood that no remedy herein conferred is intended to be exclusive of any other remedy or remedies; but each and every remedy shall be cumulative and shall be in addition to every other remedy given herein or now or hereafter existing at law or in equity or by statute:

(a) The Mortgagee may, by notice in writing to the Mortgagor declare the entire unpaid balance of the Liabilities to be immediately due and payable; and thereupon the unpaid balance, together with all accrued interest thereon and premium, if any, shall be and become immediately due and payable.

(b) The Mortgagee personally or by agent or attorneys may enter into and take possession of all or any part of the Mortgaged Property, and may forthwith use, operate and manage the Mortgaged Property, collect the earnings and income therefrom, pay all charges, including,

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taxes and assessments levied thereon, operating and maintenance expenses and all disbursements and liabilities of the Mortgagor hereunder and apply the net proceeds arising from any such operation of the Mortgaged Property as provided in Section 4.3 hereof in respect of the proceeds of a sale of the Mortgaged Property.

(c) The Mortgagee may, if at the time such action may be lawful and always subject to compliance with any mandatory legal requirements, either with or without taking possession and either before or after taking possession and without instituting any legal proceedings whatsoever and having first given any notice which may be required by law, sell and dispose of said Mortgaged Property or any part thereof at public auction or private sale to the highest bidder, which may be the Mortgagee, in one lot or parcel as an entirety or in separate lots or parcels (the Mortgagor for itself and for all who may claim by, through or under it hereby expressly waiving and releasing all rights to have the property covered by the lien of this Mortgage marshalled), and either for cash or on credit and on such terms as the Mortgagee may determine and at any place (whether or not it be the location of the Mortgaged Property or any part thereof) designated in the notice above referred to. Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales or for any such adjourned sale or sales, without further published notice.

(d) The Mortgagee may proceed to protect and enforce its rights by a suit or suits in equity or at law, or for the specific performance of any covenant or agreement contained herein or in the aid of the execution of any power herein granted, or for the foreclosure of this Mortgage, or for the enforcement of any other appropriate legal or equitable remedy. Upon the bringing of any suit to foreclose this Mortgage or to enforce any other remedy available hereunder, the plaintiff shall be entitled as a matter of right, without notice and without giving bond to the Mortgagor or anyone claiming under, by or through it, and without regard to the solvency or insolvency of the Mortgagor or the then value of the premises, to have a receiver appointed of all the Mortgaged Property and of the earnings, income, rents, issues, profits and proceeds thereof, with such power as the court making such appointment shall confer, and the Mortgagor does hereby irrevocably consent to such appointment.

(e) In case of any sale of the Mortgaged Property, or of any part thereof, pursuant to any judgment or decree of any court or otherwise in connection with the enforcement of any of the terms of this Mortgage, the Liabilities if not previously due, shall at once become and be immediately due and payable; also in the case of any such sale, the Mortgagee

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may bid and become the purchaser, and the purchaser or purchasers, for the purpose of making settlement for or payment of the purchase price, shall be entitled to turn in and use the Liabilities and any claims for interest and premium matured and unpaid thereon. If at any foreclosure proceeding the Mortgaged Property shall be sold for a sum less than the total amount of indebtedness for which judgment is therein given, the judgment creditor shall be entitled to the entry of a deficiency judgment and decree against the Mortgagor and against the property of the Mortgagor for the amount of such deficiency.

(f) The Mortgagee shall have any and all rights and remedies (including, without limitation, extrajudicial power of sale) provided to a secured party by the Uniform Commercial Code with respect to any and all parts of the Mortgaged Property which are and which are deemed to be governed by the Uniform Commercial Code. Without limiting the generality of the foregoing, the Mortgagee shall, with respect to any part of the Mortgaged Property constituting property of the type in respect of which realization on a lien or security interest granted therein is governed by the Uniform Commercial Code, have all the rights, options and remedies of a secured party under the Uniform Commercial Code, including, without limitation, the right to the possession of any such property, or any part thereof, and the right to enter without legal process any premises where any notification requirement shall be satisfied by mailing written notice to the Mortgagor at its address set forth herein at least 10 days prior to the sale or other event for which such notice is required.

(g) The Mortgagee may, in its sole discretion:
(i) exchange, enforce, waive or release any portion of the Mortgaged Property, any mortgages or deeds of trust in favor of the Banks, or the Mortgagee on behalf of the Banks relating to any portion of the Mortgaged Property and any other security for the Liabilities; (ii) apply the Mortgaged Property or security and direct the order or manner of sale thereof as the Mortgagee may, from time to time, determine; and (iii) settle, compromise, collect, foreclose upon or otherwise liquidate any portion of the Mortgaged Property or security in any manner or order following the occurrence of an Event of Default, without affecting or impairing the Mortgagee's right to take any other further action with respect to any of the Mortgaged Property or security or any part thereof.

4.3. Application of Proceeds. The purchase money proceeds and/or avails of any sale of the Mortgaged Property, or any part thereof, and the proceeds and the avails of any remedy hereunder shall be paid to and applied as follows:

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(a) first, to the payment of costs and expenses of foreclosure or suit, if any, and of such sale, and of all proper expenses, liability and advances incurred or made hereunder by the Mortgagee, including, but not limited to, all court costs, attorneys' and paralegals' fees and expenses, appraiser's fees, advertising costs, notice expenses, expenditures for documentary and expert evidence, stenographer's charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title guarantees, title insurance policies, Torrens certificates and similar data with respect to title which the Mortgagee may deem necessary, and of all taxes, assessments or liens superior to the lien of this Mortgage except any taxes, assessments or other superior lien subject to which said sale may have been made;

(b) second, to the amount then owing or unpaid on the Liabilities in the manner set forth in the Credit Agreement; and

(c) third, to the payment of the surplus, if any, to the Mortgagor, its successors and assigns, or to whomsoever may be lawfully entitled to receive the same.

4.4. Waiver of Extension, Appraisalment and Stay Laws. The Mortgagor covenants that, upon the occurrence of an Event of Default and the acceleration of the Liabilities pursuant to Section 4.1 and to the extent that such rights may then be lawfully waived, it will not at any time thereafter insist upon or plead, or in any manner whatever claim or take any benefit or advantage of, any stay or extension law now or at any time hereafter in force, or claim, take or insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisalment of the Mortgaged Property or any part thereof prior to any sale or sales thereof to be made pursuant to any provision herein contained, or to the decree, judgment or order of any court of competent jurisdiction or, after confirmation of any such sale or sales claim or exercise any right under any statute now or hereafter made or enacted by any state or otherwise to redeem the property so sold or any part thereof, and hereby expressly waives for itself and on behalf of each and every person acquiring any interest in or title to the Mortgaged Property or any part thereof, subsequent to the date of this Mortgage, all benefit and advantage of any such law or laws which would otherwise be available to any such person in connection with the enforcement of any of the Mortgagee's remedies hereunder; and covenants that it will not in connection with any such enforcement proceedings invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any power herein granted and delegated to the Mortgagee but will suffer and permit the

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execution of every such power as though no such law or laws had been made or enacted. The Mortgagor waives any and all right to have the property and estates comprising the Mortgaged Property marshalled upon any foreclosure of the lien hereof and the Mortgaged Property may be sold as an entirety or in parcels, at the same or different times, in such order as the Mortgagee may elect.

Any sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Mortgagor in and to the property sold and shall be a perpetual bar, both at law and in equity, against the Mortgagor, its successors and assigns, and against any and all persons claiming the property sold or any part thereof under, by or through the Mortgagor, its successors or assigns.

4.5. Effect of Discontinuance of Proceedings. In case the Mortgagee shall have proceeded to enforce any right under this Mortgage by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then and in every such case the Mortgagor and the Mortgagee shall be restored to their former position and rights hereunder with respect to the property subject to the lien of this Mortgage.

4.6. Delay or Omission Not a Waiver. No delay or omission of the Mortgagee to exercise any right or power arising from any Default on the part of the Mortgagor shall exhaust or impair any such right or power or prevent its exercise during the continuance of such Default. No waiver by the Mortgagee of any such Default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent Default, or to impair the rights resulting therefrom, except as may be otherwise provided herein. No remedy hereunder is intended to be exclusive of any other remedy but each and every remedy shall be cumulative and in addition to any and every other remedy given hereunder or otherwise existing. Nor shall the giving, taking or enforcement of any other or additional security, collateral or guaranty for the payment of the indebtedness secured under this Mortgage operate to prejudice, waive or affect the security of this Mortgage or any rights, powers or remedies hereunder; nor shall the Mortgagee be required to first look to, enforce or exhaust such other or additional security, collateral or guaranties.

4.7 No Merger. In the event of a foreclosure of this Mortgage or any other mortgage or deed of trust securing the Liabilities, the Liabilities then due the Mortgagee shall not be merged into any decree of foreclosure entered by the

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court, and Mortgagee may concurrently or subsequently seek to foreclose one or more mortgages or deeds of trust which also secure said Liabilities.

SECTION 5. MISCELLANEOUS.

5.1. Successors and Assigns. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Mortgage made by or on behalf of the Mortgagor, or by or on behalf of the Mortgagee, shall bind and inure to the benefit of the respective successors and assigns of such parties whether so expressed or not.

5.2. Severability. The provisions of this Mortgage are severable and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction or any other clause or provision of this Mortgage in any jurisdiction.

5.3. Addresses for Notices and Demands. Section 11.01 of the Credit Agreement shall govern the giving of notices and demands.

5.4. Headings and Table of Contents. The headings of the sections of this Mortgage are inserted for purposes of convenience only and shall not be construed to affect the meaning or construction of any of the provisions hereof.

5.5. Release of Mortgage. The Mortgagee shall release this Mortgage and the lien hereof by proper instrument or instruments upon presentation of satisfactory evidence that all Liabilities have been fully paid or discharged.

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

5.7. Interpretation with Other Documents. Subject to the provisions of Section 5.6 of this Mortgage, and notwithstanding anything contained elsewhere in this Mortgage to the contrary, in the event of a conflict or inconsistency between

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the Mortgage and the Credit Agreement, the provisions of the Credit Agreement shall govern.

5.8. Future Advances. This Mortgage is given for the purpose of securing (a) all Notes and other extensions of credit which the Mortgagee or any of the Banks may make to or for the Mortgagor pursuant and subject to the terms and provisions of the Credit Agreement, and (b) all other Obligations (as defined in the Credit Agreement). The parties hereto intend that, in addition to any other debt or obligation secured hereby, this Mortgage shall secure unpaid balances of all loans and other such extensions of credit made after this Mortgage is delivered to the Recorder of Deeds of the county of Illinois where the Land is located, whether made pursuant to an obligation of the Mortgagee or otherwise. Such Obligations and other extensions of credit may or may not be evidenced by notes executed pursuant to the Credit Agreement. All future advances will have the same priority as the original advance.

IN WITNESS WHEREOF, the Mortgagor has caused this Mortgage to be executed on its behalf, all as of the day and year first above written.

WISCONSIN CENTRAL LTD., an
Illinois corporation

By: Thomas F. Power, Jr.

Thomas F. Power, Jr.

Its. Executive Vice-President
and Chief Financial
Officer

Attest:

By: Thomas W. Rissman
Thomas W. Rissman

Its: Secretary

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03/20/2024

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Jane Connie McClendon, a Notary Public in and for the County and State aforesaid, do hereby certify that Thomas F. Power, Jr. and Thomas W. Rissman, personally known to me as Executive Vice-President and Chief Financial Officer, and Secretary, respectively, of WISCONSIN CENTRAL LTD., an Illinois 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 they, being thereunto duly authorized, signed and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

Given under by hand and notarial seal this 10th day of October, 1987.

Jane Connie McClendon
Notary Public

(SEAL)

Commission expires: 3-26-89

COOK County Clerk's Office

EXHIBIT A
BETWEEN THE WISCONSIN/ILLINOIS STATE LINE
AND FOREST PARK, ILLINOIS
WITHROW TO FOREST PARK LINE

Commencing at the point of intersection of the Grantor's main track with the Wisconsin/Illinois state line on the north line of the NW 1/4 NW 1/4, Section 5, Township 46 North, Range 10 East, in Lake County, Illinois, which point is also known as Railroad Engineer's Survey Station 2986+65 (milepost 56.56), and extending southerly along said main track a distance of approximately 45.66 miles in and through Lake and Cook Counties, Illinois, and terminating at the point of intersection of the main track with the north line of the NW 1/4, Section 13, Township 39 North, Range 12 East, in Forest Park, Illinois, which point is also known as Railroad Engineer's Survey Station 575+51 (milepost 10.90), all of which is more particularly described on right-of-way and track maps designated V-1-ILL./1 through 13 and on station maps V-1-ILL./ST 1-A through 12-B, all of which are made a part hereof by reference.

ALSO

Commencing at the point of switch on the centerline of the Grantor's eastbound main track in the NE 1/4 NW 1/4, Section 27, Township 40 North, Range 12 East, in Franklin Park, Cook County, Illinois, which point is known as Railroad Engineer's Survey Station 813+08 (milepost 15.40), and extending southwesterly along the centerline of the track connecting said main track with the Indiana Harbor Belt Railroad track a distance of approximately 615 feet to the end of Grantor's ownership and there terminating, all of which is more particularly described on the right-of-way and track map designated V-1-ILL./2 and on station map V-1-ILL./S-2, which maps are made a part hereof by reference.

PROPERTY EXCEPTED

EXCEPTING, HOWEVER, that part of the W 1/2 SW 1/4, Section 33, Township 41 North, Range 12 East, in the Town of Orchard Place, County of Cook, State of Illinois, described as follows:

Beginning at the intersection of the westerly line of the right of way of the Grantor (said westerly right of way line also being the easterly line of a street known as Orchard Place) and the southerly line of Pratt Avenue (said southerly line being 33.0 feet southerly of and parallel with the north line of said Southwest 1/4 of Section 33); thence southerly along said westerly right of way line 263.65 feet; thence

9/17/87

1

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easterly, at right angles to the last described line, 111.0 feet to a point 26.50 feet westerly of the center line of the Grantor's main track; thence northerly, at right angles to the last described line, and parallel with the center line of said main track, 238.68 feet to the southerly line of said Pratt Avenue; thence westerly along the southerly line of said Pratt Avenue 113.77 feet (more or less) to the place of beginning. (Ref. V-1-ILL./ST 4-A Orchard Place)

ALSO

EXCEPTING, all that part of the Grantor's real property in the NE 1/4 and the SE 1/4, Section 9, in the NE 1/4 and the SE 1/4, Section 16, in the SW 1/4, Section 15, and in the NW 1/4, Section 22, all in Township 40 North, Range 12 East, in the City of Schiller Park, Cook County, Illinois, lying southwesterly of a line parallel to and distant 26.5 feet southwesterly of (as measured perpendicular to) the centerline of the Grantor's most westerly main track (being the eastbound main track), northwesterly of a line perpendicular to the track and 742 feet northwesterly of (as measured along the centerline of the track) the east and west centerline of said Section 22, and southeasterly of a line perpendicular to the track and 1884 feet northwesterly of (as measured along the centerline of the track) the east and west centerline of said Section 9. (Ref. V-1-ILL./ST 3-A Schiller Park)

ALSO

EXCEPTING, all that part of the Grantor's real property in the NE 1/4 and the SE 1/4, Section 9, in the NE 1/4 and the SE 1/4, Section 16, in the SW 1/4, Section 15, and in the NW 1/4, Section 22, all in Township 40 North, Range 12 East, in the City of Schiller Park, Cook County, Illinois, lying northeasterly of a line parallel to and distant 39.5 feet northeasterly of (as measured perpendicular to) the centerline of the Grantor's most westerly main track (being the eastbound main track), northwesterly of a line perpendicular to the track and 742 feet northwesterly of (as measured along the centerline of the track) the east and west centerline of said Section 22, and southeasterly of a line perpendicular to the track and 1884 feet northwesterly of (as measured along the centerline of the track) the east and west centerline of said Section 9. (Ref. V-1-ILL./ST 3-A Schiller Park)

9/17/87

2

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COOK COUNTY, ILLINOIS

Address of Property: The line of Railroad of the Grantor, commencing at the Wisconsin-Illinois state line, in the Village of Wheeling, Illinois, and traversing southward the City of Prospect Heights, Village of Mt. Prospect, City of Des Plaines, (O'Hare Airport), Village of Rosemont, Village of Schiller Park, Village of Franklin Park, Village of River Grove, Village of Melrose Park, Village of River Forest and Village of Forest Park, terminating at Madison St. in the Village of Forest Park.

Permanent Index Numbers:

03-23-500-001	12-09-500-015
03-23-500-002	12-04-500-001
03-23-500-003	12-04-500-002
03-23-500-004	12-04-500-003
03-23-500-005	12-15-500-002
03-14-500-001	12-16-406-003
03-14-500-002	12-16-500-002
03-14-500-003	12-16-500-003
03-14-500-004	12-27-501-001
03-11-500-001	12-27-501-002
03-11-500-002	12-27-501-003
03-11-500-003	12-22-500-001
03-11-500-005	12-22-500-002
03-10-500-003	12-22-500-003
03-03-500-002	12-22-500-006
03-03-500-004	12-22-500-007
03-03-500-005	12-35-500-001
03-26-500-001	12-35-500-002
03-25-500-001	12-35-500-003
03-25-500-002	12-34-500-001
09-33-500-002	12-34-500-002
09-32-500-001	12-34-500-003
09-29-500-002	12-34-500-004
09-20-500-001	12-34-500-005
09-20-500-002	15-12-500-001
09-17-500-001	15-12-500-002
09-08-500-004	15-12-500-003
09-08-500-005	15-12-500-004
09-08-500-006	15-12-500-005
09-08-500-007	15-12-500-006
09-08-500-008	15-01-500-001
03-36-500-001	15-02-500-003
12-04-500-001	15-02-500-004
12-04-500-002	15-02-500-006
	15-02-500-007
12-08-100-006	15-02-500-008
12-09-500-006	15-02-500-009
12-09-500-014	

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7/24/11

DEPT-01 RECORDING \$31.60
1#1111 TRAN 2958 18/21/07 10:23:00
#1117 # 12 * 07-568359
COOK COUNTY RECORDER

000000000000