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MORTGAGE, SECURITY AGREEMENT  
AND FINANCING STATEMENT

THIS MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT (the "Mortgage") is made as of December 17, 1987, by and between LASALLE NATIONAL BANK, not personally but solely as Trustee under Trust Agreement dated January 9, 1986, and known as Trust Number 110740 ("Land Trustee"), whose mailing address is 135 South LaSalle Street, Chicago, Illinois 60690, Attention: Real Estate Trust Department, DUNDEE-LANDWEHR LIMITED PARTNERSHIP, an Illinois limited partnership, whose mailing address is c/o Alan H. Israel and Lorna Jacobsen, Phoenix Executive Suite, 3340 Dundee Road, Northbrook, Illinois 60062 (such partnership is referred to herein as the "Beneficiary" and the Land Trustee and the Beneficiary are herein collectively referred to as the "Borrower") for the benefit of FOCUS REAL ESTATE FINANCE CO. ("Focus"), whose mailing address is 200 West Madison Street, Suite 3000, Chicago, Illinois 60606, and NATIONAL CANADA CORPORATION ("NCC"), whose mailing address is 20 North Clark Street, Suite 3510, Chicago, Illinois 60602 (Focus and NCC are collectively referred to herein as the "Lender").

WITNESSETH:

THAT, WHEREAS the Borrower is justly indebted to the Lender in the principal sum of Fourteen Million Nine Hundred Seventy-Five Thousand Dollars (\$14,975,000.00) evidenced by two certain PROMISSORY NOTES of the Borrower of even date herewith, one in the amount of Six Million Dollars (\$6,000,000), payable to the order of Focus, and one in the amount of Eight Million Nine Hundred Seventy-Five Thousand Dollars (\$8,975,000), payable to the order of NCC (both of such notes are collectively referred to herein as the "Notes"), delivered to the Lender, whereby the Borrower promises to pay the said principal sum, late charges, prepayment premiums and interest at the rate or rates and in installments, all as provided in the Notes, copies of which are attached hereto as Exhibit "A" and by this reference incorporated herein and made a part hereof. The final payment of principal and interest, if not sooner paid, is due and payable on December 31, 1989, unless extended as provided in the Notes, in which case the final payment of principal and interest shall in any event be due and payable no later than December 31, 1990. All such payments on account of the indebtedness secured hereby shall be applied first to interest on the unpaid principal balance, secondly to any other sums due thereunder, thirdly to all other advances and sums secured hereby, and the remainder to principal, all of said principal and interest being made payable at such place as the holders of the Notes may from time to time in writing appoint.

NOW, THEREFORE, the Borrower, to secure the payment of said principal sum of money and said interest and late charges and

THIS INSTRUMENT PREPARED BY  
UPON RECORDATION RETURN TO:

STEPHEN E. GOODMAN  
SUITE 3400  
401 NORTH MICHIGAN AVENUE  
CHICAGO, ILLINOIS 60611

PROPERTY ADDRESS:  
Northwest Corner of Dundee and  
Landwehr Roads,  
Northbrook, Illinois

PERMANENT TAX NUMBER(S)

- 04-05-304-006-0000
- 04-05-304-007-0000
- 04-05-304-008-0000
- 04-05-304-009-0000
- 04-05-402-007-0000

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prepayment premiums in accordance with the terms, provisions and limitations of this Mortgage and of the Notes, and the performance of the covenants and agreements herein contained by the Borrower to be performed, and also in consideration of the sum of ONE DOLLAR (\$1.00) in hand paid, the receipt whereof is hereby acknowledged, does by these presents MORTGAGE, GRANT, REMISE, RELEASE, ALIEN AND CONVEY unto the Lender and its successors and assigns, the following described real estate and all of its present and hereafter-acquired estate, right, title and interest therein, situated, lying and being in the County of Cook and State of Illinois to-wit:

SEE LEGAL DESCRIPTION ATTACHED HERETO  
AND MADE A PART HEREOF AS EXHIBIT "B"

which, with the property hereinafter described, is collectively referred to herein as the "Premises";

TOGETHER with all improvements, tenements, reversions, remainders, easements, fixtures and appurtenances now or hereafter thereto belonging, and all rents, issues and profits thereof for so long and during all such times as Borrower may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily); all tenant security deposits, utility deposits and insurance premium rebates to which Borrower may be entitled or which Borrower may be holding; and all shades, awnings, venetian blinds, screens, screen doors, storm doors and windows, stoves and ranges, refrigerators, curtain fixtures, partitions and attached floor coverings and all fixtures, apparatus, equipment and articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, sprinkler protection, waste removal, refrigeration and ventilation (whether single units or centrally controlled) including (without restricting the foregoing): all fixtures, apparatus, equipment and articles (other than trade fixtures used in the operation of a business and other than inventories held for sale and personal property owned by any party other than Beneficiary) which relate to the use, occupancy, and enjoyment of the Premises, it being understood that the enumeration of any specific articles of property shall in no wise exclude or be held to exclude any items of property not specifically mentioned. All of the land, estate and property hereinabove described, real, personal and mixed, whether affixed or annexed or not (except where otherwise hereinabove specified) and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared (to the maximum extent permitted by law) to form part and parcel of the real estate and to be appropriated to the use of the real estate, and shall be, for the purposes of this Mortgage, deemed to be real estate and conveyed and mortgaged hereby.

TO HAVE AND TO HOLD the Premises unto the Lender and its successors and assigns forever, for the purposes and uses herein set forth.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

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

1. Borrower shall: (a) promptly repair, restore or rebuild any buildings and other improvements now or hereafter on the Premises which may become damaged or destroyed to substantially the same character as prior to such damage or destruction, without regard to the availability or adequacy of any casualty insurance proceeds or eminent domain awards; (b) keep the Premises constantly in good condition and repair, without waste; (c) keep the Premises free from mechanics' liens or other liens or claims for lien not

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expressly subordinated to the lien hereof (collectively called "Liens"), subject, however, to the rights of the Borrower set forth in Paragraph 1a below; (d) immediately pay when due any indebtedness which may be secured by a lien or charge on the Premises on a parity with or superior to the lien hereof (no such lien to be permitted hereunder), and upon request exhibit satisfactory evidence of the discharge of such lien to Lender; (e) complete within a reasonable time any building(s) or other improvement(s) now or at any time in process of erection upon the Premises; (f) comply with all federal, state and local requirements of law, regulations, ordinances, orders and judgments and all covenants, easements and restrictions of record with respect to the Premises and the use thereof; (g) make no material alterations in the Premises without Lender's prior written consent; (h) suffer or permit no change in the general nature of the occupancy of the Premises without Lender's prior written consent; (i) observe and comply with all conditions and requirements (if any) necessary to preserve and extend all rights, easements, licenses, permits (including without limitation zoning variations and any non-conforming uses and structures), privileges, franchises and concessions applicable to the Premises or contracted for in connection with any present or future use of the Premises; and (j) pay each item of Indebtedness secured by this Mortgage when due according to the terms hereof and of the Notes. As used in this Paragraph 1 and elsewhere in this Mortgage, the term "Indebtedness" means and includes the unpaid principal sum evidenced by the Notes, together with all interest, additional interest, late charges and prepayment premiums thereon, and all other sums at any time secured by this Mortgage.

## Right to Contest.

1a. Borrower may, in good faith and with reasonable diligence, contest the validity or amount of any Lien not expressly subordinated to the lien hereof, and defer payment and discharge thereof during the pending of such contest, provided: (i) that such contest shall have the effect of preventing the sale or forfeiture of the Premises or any part thereof, or any interest therein, to satisfy such Lien; (ii) that, within ten (10) days after Borrower has been notified of the assertion of such Lien, Borrower shall have notified Lender in writing of Borrower's intention to contest such Lien; and (iii) that Borrower shall have deposited with Lender at such place as Lender may from time to time in writing appoint, and in the absence of such appointment, then at the office of Lender in Chicago, Illinois, a sum of money which shall be sufficient in the judgment of Lender to pay in full such Lien and all interest which might become due thereon, and shall keep on deposit an amount so sufficient at all times, increasing such amount to cover additional interest whenever, in the judgment of Lender, such increase is advisable or shall have provided title insurance coverage, indemnity bonds or other collateral satisfactory to Lender to cover such amounts. Such deposits are to be held without any allowance of interest. If Borrower shall fail to prosecute such contest with reasonable diligence or shall fail to pay the amount of the Lien plus any interest finally determined to be due upon the conclusion of such contest, to the extent such amount exceeds the amount which Lender will pay as provided below, or shall fail to maintain sufficient funds on deposit as hereinabove provided, Lender may, at its option, apply the money so deposited in payment of or on account of such Lien, or that part thereof then unpaid, together with all interest thereon. If the amount of money so deposited shall be insufficient for the payment in full of such Lien, together with all interest thereon, Borrower shall forthwith, upon demand, deposit with Lender a sum which, when added to the funds then on deposit, shall be sufficient to make such payment in full, Lender shall, upon the final disposition of such contest,

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apply the money so deposited in full payment of such Lien or that part thereof then unpaid, together with all interest thereon (provided Borrower is not then in default hereunder) when so requested in writing by Borrower and when furnished by Borrower with sufficient funds to make such payment in full and with evidence satisfactory to Lender of the amount of payment to be made.

## Payment of Taxes.

2. Borrower shall pay all general taxes before any penalty or interest attaches, and shall pay special taxes, special assessments, water charges, sewer service charges, and all other charges against the Premises of any nature whatsoever when due, and shall, upon written request, furnish to Lender duplicate receipts therefor within thirty (30) days following the date of payment. Borrower shall pay in full "under protest" any tax or assessment which Borrower may desire to contest, in the manner provided by law.

## Tax Deposits.

3. Beginning on the earlier of (i) the occurrence of a default hereunder or under any of the Loan Documents, or (ii) the date on which the amount of the Loan budgeted for taxes and assessments and remaining undisbursed is less than Lender's estimate of the amount of taxes and assessments next due and payable, Borrower shall deposit with the Lender or such depository ("Depository") as the Lender may from time to time in writing appoint, and in the absence of such appointment, then at the office of Lender in Chicago, Illinois, commencing on such date and on the first day of each month thereafter, a sum equal to the amount of all real estate taxes and assessments (general and special) next due upon or for the Premises (the amount of such taxes next due to be based upon the Lender's reasonable estimates as to the amount of taxes and assessments to be levied and assessed) reduced by the amount, if any, then on deposit with the Lender or the Depository, divided by the number of months to elapse before one month prior to the date when such taxes and assessments will become due and payable. Such deposits are to be held without any allowance of interest to Borrower and are to be used for the payment of taxes and assessments (general and special) on the Premises next due and payable when they become due. If the funds so deposited are insufficient to pay any such taxes or assessments (general or special) when the same become due and payable, the Borrower shall, within ten (10) days after receipt of demand therefor from the Lender or Depository, deposit such additional funds as may be necessary to pay such taxes and assessments (general and special) in full. If the funds so deposited exceed the amount required to pay such taxes and assessments (general and special) for any year, the excess shall be applied on a subsequent deposit or deposits. Said deposits need not be kept separate and apart from any other funds of the Lender or the Depository.

Anything in this Paragraph 3 to the contrary notwithstanding, if the funds so deposited are insufficient to pay any such taxes or assessments (general or special) or any installment thereof, Mortgagee will, not later than the thirtieth (30th) day prior to the last day on which the same may be paid without penalty or interest, deposit with the Lender or the Depository the full amount of any such deficiency.

If any such taxes or assessments (general or special) shall be levied, charged, assessed or imposed upon or for the Premises, or any portion thereof, and if such taxes or assessments shall also be a levy, charge, assessment or imposition upon or for any other premises not encumbered by the lien of this Mortgage, then the

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computation of any amount to be deposited under this Paragraph 3 shall be based upon the entire amount of such taxes or assessments, and Borrower shall not have the right to apportion the amount of any such taxes or assessments for the purposes of such computation.

## Insurance Deposits.

3a. For the purpose of providing funds with which to pay premiums when due on all policies of fire and other hazard insurance covering the Premises and the Collateral (defined below), beginning on the earlier of (i) the occurrence of a default hereunder or under any of the Loan Documents, or (ii) the date on which the amount of the Loan budgeted for insurance premiums and remaining undisbursed is less than Lender's estimate of the amount of insurance premiums next due and payable, Borrower shall deposit with the Lender or the Depositary, commencing on such date and on the first day of each month thereafter, a sum equal to the Lender's estimate of the premiums that will next become due and payable on such policies reduced by the amount, if any, then on deposit with the Lender or the Depositary, divided by the number of months to elapse before one (1) month prior to the date when such premiums become due and payable. No interest shall be allowed to Borrower on account of any deposit made hereunder and said deposit need not be kept separate and apart from any other funds of the Lender or the Depositary.

## Lender's Interest In and Use of Tax and Insurance Deposits; Security Interest.

4. In the event of a default hereunder, the Lender may, at its option but without being required so to do, apply any monies at the time on deposit pursuant to Paragraphs 3 and 3a hereof on any of Borrower's obligations contained herein or in the Notes, in such order and manner as the Lender may elect. When the Indebtedness has been fully paid, any remaining deposits shall be paid to Borrower. A security interest, within the meaning of the Uniform Commercial Code of the State in which the Premises are located, is hereby granted to the Lender in and to all monies at any time on deposit pursuant to Paragraphs 3 and 3a hereof and such monies and all of Borrower's right, title and interest therein are hereby assigned to Lender, all as additional security for the Indebtedness hereunder and shall, in the absence of default hereunder, be applied by the Lender or Depositary for the purposes for which made hereunder and shall not be subject to the direction or control of the Borrower; provided, however, that neither the Lender nor the Depositary shall be liable for any failure to apply to the payment of taxes or assessments or insurance premiums any amount so deposited unless Borrower, while not in default hereunder, shall have furnished Lender with the bills therefor and requested Lender or the Depositary in writing to make application of such funds to the payment of the particular taxes or assessments or insurance premiums for payment of which they were deposited, accompanied by the bills for such taxes or assessments or insurance premiums. Neither Lender nor the Depositary shall be liable for any act or omission taken in good faith, but only for its gross negligence or willful misconduct.

## Insurance.

5. Borrower shall keep all buildings and improvements and the Collateral (defined in Paragraph 27 below) now or hereafter situated on said Premises insured against loss or damage by fire on a so-called "All Risks" basis and against such other hazards as may reasonably be required by Lender, including without limitation of the generality of the foregoing: (a) rent loss or business Interruption insurance whenever in the opinion of Lender such protection is necessary; and (b) flood insurance whenever same is available

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and, in the opinion of Lender, such protection is necessary. Borrower shall also provide insurance coverages with such limits for personal injury and death and property damage as Lender may require. All policies of insurance to be furnished hereunder shall be in forms, companies and amounts satisfactory to Lender, with waiver of subrogation and replacement cost endorsements and a standard non-contributory mortgagee clause attached to all policies, including a provision requiring that the coverages evidenced thereby shall not be terminated or materially modified without thirty (30) days' prior written notice to the Lender. Borrower shall deliver all original policies, including additional and renewal policies, to Lender and, in the case of insurance about to expire, shall deliver renewal policies not less than thirty (30) days prior to their respective dates of expiration.

Borrower shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained hereunder unless Lender is included thereon under a standard non-contributory mortgagee clause acceptable to Mortgagee. Borrower shall immediately notify Lender whenever any such separate insurance is taken out and shall promptly deliver to Lender the original policy or policies of such insurance. In the event of a foreclosure of the lien of this Mortgage, or of a transfer of title to the Premises either in lieu of foreclosure or by purchase at the foreclosure sale, all interest in all insurance policies in force shall pass to Lender, transferee or purchaser, as the case may be.

Within ninety (90) days following the end of each fiscal year of Borrower, at the request of the Lender, Borrower agrees to furnish evidence of replacement cost, without cost to the Lender, such as are regularly and ordinarily made by insurance companies to determine the then replacement cost and insurable value of the building(s) and other improvements on the Premises.

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

6. In case of loss or damage by fire or other casualty, Lender is authorized: (a) to settle and adjust any claim under insurance policies which insure against such risks; or (b) to allow Borrower to agree with the insurance company or companies on the amount to be paid in regard to such loss. In either case, Lender is authorized to collect and receipt for any such insurance monies. Provided no default shall then exist hereunder or any of the other Loan Documents, any collected casualty insurance proceeds shall bear interest at money market rates, for the benefit of Borrower; provided, however, that in the case of a casualty of not more than \$25,000, Borrower shall repair and/or replace the damaged item or area, and the casualty insurance proceeds therefor will be paid directly to Borrower. Such insurance proceeds may, at the option of the Lender, be: (a) applied in reduction of the Indebtedness, whether due or not; or (b) held by the Lender and applied to pay for the cost of repair, rebuilding or restoration of the buildings and other improvements on the Premises; provided, however, that if at the time of any such casualty, Borrower is not in default hereunder or any of the other Loan Documents, and no event shall have occurred which, but for the giving of notice or the passage of time, or both, would constitute a default hereunder or under any of the other Loan Documents, the proceeds of insurance collected, together with funds provided by Borrower are sufficient, in Lender's reasonable judgment, to repair the damage, the damage may be repaired prior to the Maturity Date, and tenants occupying not less than 85% of the total rentable square feet shall not have the right to terminate their leases as a result of such damage, then Lender shall permit the proceeds of insurance to be used in the

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repair of the damage. If the Lender makes the proceeds available to reimburse Borrower or any lessee for the cost of repair, rebuilding or restoration of buildings or other improvements on the Premises, such proceeds shall be made available in the manner and under the conditions that the Lender may require. In any event, the buildings and other improvements shall be so repaired, restored or rebuilt so as to be of at least equal value and substantially the same character as prior to such damage or destruction. If the cost of rebuilding, repairing or restoring the buildings and other improvements may reasonably exceed the sum of FIFTY THOUSAND DOLLARS (\$50,000.00), then the Lender must approve plans and specifications of such work before such work shall be commenced. If the proceeds are made available by the Lender to reimburse the Borrower or any lessee for the cost of repair, rebuilding, or restoration any surplus, after payment of the cost of repair, rebuilding, restoration and the reasonable charges of the Disbursing Party (hereinafter defined) shall, at the option of the Lender, be applied on account of the Indebtedness or paid to any party entitled thereto as the same appear on the records of the Lender.

As used in this Paragraph 6, the term "Disbursing Party" refers to the Lender and to any responsible trust company or title insurance company selected by the Lender.

## Stamp Tax; Effect of Changes in Laws Regarding Taxation.

7. If, by the laws of the United States of America or of any state or subdivision thereof having jurisdiction over the Borrower, any tax is due or becomes due in respect of the issuance of the Notes, the Borrower covenants and agrees to pay such tax in the manner required by any such law. The Borrower further covenants to reimburse the Lender for any sums which Lender may expend by reason of the imposition of any tax on the issuance of the Notes.

7a. In the event of the enactment, after this date, of any law of the state in which the Premises are located deducting from the value of the land for the purpose of taxation any lien thereon, or imposing upon the Lender the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Borrower, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the Lender's interest in the Premises, or the manner of collection of taxes, so as to affect this Mortgage or the debt secured hereby or the holder thereof, then, and in any such event, the Borrower, upon demand by the Lender, shall pay such taxes or assessments or reimburse the Lender therefor; provided, however, that if in the opinion of counsel for the Lender: (a) it might be unlawful to require Borrower to make such payment; or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law; then and in any such event, the Lender may elect, by notice in writing given to the Borrower, to declare all of the Indebtedness to be and become due and payable sixty (60) days from the giving of such notice.

## Observance of Lease Assignment.

8. As additional security for the payment of the Notes and for the faithful performance of the terms and conditions contained herein, Borrower and its beneficiary or beneficiaries have assigned to the Lender all of their right, title and interest as landlords in and to the leases listed on the SCHEDULE OF LEASES attached hereto, if any, and all future leases of the Premises.

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Borrower will not and Borrower's beneficiary or beneficiaries will not, without Lender's prior written consent: (i) enter into any lease which has not been approved by Lender, unless such lease is on a form approved by Lender, provides for a rental of not less than \$21.50 per square foot and a contribution from the tenant of its pro-rata share of taxes and all operating expenses in excess of \$5.50 per square foot (or in the alternative, a combination of rental and contribution which, in Lender's judgment, is the economic equivalent of such minimum square foot rental and expense contribution); or (ii) execute any assignment or pledge of any rents or any leases of the Premises except an assignment or pledge securing the Indebtedness; or (iii) accept any payment of any installment of rent more than sixty (60) days before the due date thereof; or (iv) make any lease of the Premises except for actual occupancy by the tenant thereunder.

Borrower at its sole cost and expense will: (i) at all times promptly and faithfully abide by, discharge and perform all of the covenants, conditions and agreements contained in all leases of the Premises, on the part of the landlord thereunder to be kept and performed; (ii) enforce or secure the performance of all of the covenants, conditions and agreements of such leases on the part of the tenants to be kept and performed, but Borrower shall not and Borrower's beneficiary or beneficiaries shall not modify, amend, cancel, terminate or accept surrender of any lease without prior written consent of Lender which consent shall not be unreasonably withheld; (iii) appear in and defend any action or proceeding arising under, growing out of or in any manner connected with such leases or the obligations, duties or liabilities of the landlord or of any tenants thereunder; (iv) transfer and assign or cause to be separately transferred and assigned to Lender, upon written request of Lender, any lease or leases of the Premises heretofore or hereafter entered into, and make, execute and deliver to Lender upon demand, any and all instruments required to effectuate said assignment; (v) furnish Lender, within ten (10) days after a request by Lender so to do, a written statement containing the names of all tenants and the terms of all leases of the Premises, including the spaces occupied and the rentals payable thereunder; and (vi) exercise within five (5) days of any demand therefor by Lender any right to request from the tenant under any lease of the Premises a certificate with respect to the status thereof.

Nothing in this Mortgage or in any other documents relating to the loan secured hereby shall be construed to obligate Lender expressly or by implication, to perform any of the covenants of any landlord under any of the leases assigned to Lender or to pay any sum of money or damages therein provided to be paid by the landlord, each and all of which covenants and payments Borrower agrees to perform and pay or cause to be performed and paid.

At the option of the Lender, this Mortgage shall become subject and subordinate, in whole or in part (but not with respect to priority of entitlement to insurance proceeds or any award in eminent domain), to any one or more leases affecting any part of the Premises, upon the execution by Lender and recording or registration thereof, at any time hereafter, in the office wherein this Mortgage was registered or filed for record, of a unilateral declaration to that effect.

In the event of the enforcement by Lender of any remedies provided for by law or by this Mortgage, the tenant under each lease of the Premises shall, at the option of the Lender, attorn to any person succeeding to the interest of landlord as a result of such enforcement and shall recognize such successor in interest as landlord under such lease without change in the terms or other provisions thereof; provided, however, that said successor in interest shall not be bound by any payment of rent or additional rent for more than one month in advance or any amendment or



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modification to any lease made without the consent of Lender or said successor in interest. Each tenant, upon request by said successor in interest, shall execute and deliver an instrument or instruments confirming such attornment.

Lender shall have the option to declare this Mortgage in default because of a material default of landlord in any lease of the Premises, whether or not such default is cured by Lender pursuant to the right granted herein. It is covenanted and agreed that a default under any Assignment of Rents or Leases executed pursuant to this paragraph 8 shall constitute a default hereunder, on account of which the whole of the Indebtedness secured hereby shall at once, at the option of the Lender, become immediately due and payable, without notice to the Borrower.

## Borrower and Lien Not Released.

9. From time to time Lender may, at Lender's option, without giving notice to or obtaining the consent of Borrower or Borrower's successors or assigns or the consent of any junior lien holder, guarantor or tenant, without liability on Lender's part and notwithstanding Borrower's breach of any covenant, agreement or condition: (a) release anyone primarily or secondarily liable on any of the Indebtedness; (b) accept a renewal note or notes therefor; (c) release from the lien of this Mortgage any part of the Premises; (d) take or release other or additional security for the Indebtedness; (e) consent to any plat, map or plan of the Premises; (f) consent to the granting of any easement; (g) join in any extension or subordination agreement; (h) agree in writing with Borrower to modify the rate of interest or period of amortization of the Notes or change the time of payment or the amount of the monthly installments payable thereunder; and (i) waive or fail to exercise any right, power or remedy granted by law or herein or in any other instrument given at any time to evidence or secure the payment of the Indebtedness.

Any actions taken by Lender pursuant to the terms of this Paragraph 9 shall not impair or affect: (a) the obligation of Borrower or Borrower's successors or assigns to pay any sums at any time secured by this Mortgage and to observe all of the covenants, agreements and conditions herein contained; (b) the guaranty of any individual or legal entity for payment of the Indebtedness; and (c) the lien or priority of the lien hereof against the Premises.

Borrower shall pay to Lender a reasonable service charge and such title insurance premiums and attorneys' fees as may be incurred by Lender for any action described in this Paragraph 9 taken at the request of Borrower or its beneficiary or beneficiaries.

## Mortgagee's Performance of Defaulted Acts.

10. In case of default herein, Lender may, but need not, make any payment or perform any act herein required of Borrower in any form and manner Lender deems expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said Premises or contest any tax or assessment or cure any default of any landlord in any lease of the Premises; provided, however, that Lender shall not make any such advances, except upon five (5) days notice to Borrower, unless in Lender's sole judgment, such advance must be made immediately to protect the Premises or Lender's security. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including

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attorneys' fees, and any other monies advanced by Lender in regard to any tax referred to in Paragraphs 7 or 7a or to protect the Premises or the lien hereof, shall be so much additional Indebtedness secured hereby, and shall become due and payable upon 10 day's notice and with interest thereon at the rate of interest set forth in the Notes applicable to a period when a default exists thereunder. Inaction of Lender shall never be considered as a waiver of any right accruing to it on account of any default on the part of Borrower.

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

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

## Acceleration of Indebtedness in Case of Default.

12. If: (a) default be made in the due and punctual payment of principal or interest on the Notes, or either of them, or any other payment due in accordance with the terms thereof, subject to any notice and cure contained therein; or (b) the Trustee, the Beneficiary or any general partner thereof or any guarantor of the Notes shall file (i) a petition for liquidation, reorganization or adjustment of debt under Title 11 of the United States Code (11 U.S.C. §§ 101 et seq.) or any similar law, state or federal, whether now or hereafter existing, or (ii) any answer admitting insolvency or inability to pay its debts, or (iii) fail to obtain a vacation or stay of involuntary proceedings within sixty (60) days, as hereinafter provided; or (c) any order for relief of the Trustee, the Beneficiary or any general partner thereof or any guarantor of the Notes shall be entered in any case under Title 11 of the United States Code and not released or stayed within sixty (60) days, or a trustee or a receiver shall be appointed for the Trustee, the Beneficiary or any general partner thereof or for any guarantor of the Notes, or for all or the major part of the property of the Trustee, the Beneficiary or any general partner thereof or of any guarantor of the Notes in any voluntary or involuntary proceeding, or any court shall have taken jurisdiction of all or the major part of the property of the Trustee, the Beneficiary or any general partner thereof or of any guarantor of the Notes in any voluntary or involuntary proceeding for the reorganization, dissolution, liquidation, adjustment of debt or winding up of the Trustee, the Beneficiary or any general partner thereof or of any guarantor of the Notes and such trustee or receiver shall not be discharged or such jurisdiction not be relinquished or vacated or stayed on appeal or otherwise stayed within sixty (60) days; or (d) the Trustee, the Beneficiary or any general partner thereof or any guarantor of the Notes shall make an assignment for the benefits of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or trustee or liquidator of all or any major part of its property; or (e) default shall be made in the due observance or performance of any other covenant, agreement or condition hereinbefore or hereinafter contained and required to be kept or performed or observed by the Trustee, the Beneficiary or any general partner thereof or any guarantor of the Notes secured hereby and such default has not been cured within thirty (30) days after written notice to Borrower; provided that, if such default does not involve the failure to make any payment to

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any party, Borrower acts diligently, continuously in good faith to cure such default within such thirty (30) day period and such default cannot reasonably be cured within such time period and in Borrower's reasonable judgment, the failure to cure such default within the thirty (30) day period will not jeopardize the Premises or Lender's security, then such time period shall be extended for an additional sixty (60) day period; (f) default shall be made in the due observance or performance of any covenant, agreement or condition required to be kept or observed by the Trustee, the Beneficiary or any general partner thereof or any guarantor of the Notes in any other instrument given at any time to secure the payment of the Notes and such default has not been cured within thirty (30) days after written notice to Borrower; provided that, if such default does not involve the failure to make any payment to any party, Borrower acts diligently, continuously in good faith to cure such default within such thirty (30) day period and such default cannot reasonably be cured within such time period and in Borrower's reasonable judgment, the failure to cure such default within the 30 day period will not jeopardize the Premises or Lender's security, then such time period shall be extended for an additional sixty (60) day period; then and in any such event, the whole of the Indebtedness shall at once, at the option of the Lender, become immediately due and payable without notice to Borrower or any other person. If while any insurance proceeds or condemnation awards are held by or for the Lender to reimburse Borrower or any lessee for the cost of repair, rebuilding or restoration of building(s) or other improvement(s) on the Premises, as set forth in Paragraphs 6 and 18 hereof, the Lender shall be or become entitled to accelerate the maturity of the Indebtedness, then and in such event, the Lender shall be entitled to apply all such insurance proceeds and condemnation awards then held by or for it in reduction of the Indebtedness, and any excess held by it over the amount of the Indebtedness shall be paid to Borrower or any party entitled thereto, without interest, as the same appear on the records of the Lender.

## Foreclosure; Expense of Litigation.

13. When the Indebtedness or any part thereof shall become due, whether by acceleration or otherwise, Lender shall have the right to foreclose the lien hereof for such indebtedness or part thereof. In any civil action to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness in the order or judgment for foreclosure and sale all expenditures and expenses which may be paid or incurred by or on behalf of Lender for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of said order or judgment) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens' Certificates and similar data and assurances with respect to the title as Lender may deem reasonably necessary either to prosecute such civil action or to evidence to bidders at any sale which may be had pursuant to such order or judgment the true condition of the title to, or the value of the Premises. All expenditures and expenses of the nature in this paragraph mentioned and such expenses and fees as may be incurred in the protection of the Premises and the maintenance of the lien of this Mortgage, including the fees of any attorneys employed by Lender in any litigation or proceeding affecting this Mortgage, the Notes or the Premises, including probate, appellate and bankruptcy proceedings, or in preparations for the commencement or defense of any action or proceeding or threatened action or proceeding, shall be immediately due and payable by Borrower, with interest thereon at the rate set forth in the Notes applicable to a period when a default exists thereunder, and shall be secured by this Mortgage.

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At all times, the Borrower shall appear in and defend any suit, action or proceeding that might in any way in the sole judgment of Lender affect the value of the Premises, the priority of this Mortgage or the rights and powers of Lender hereunder or under any document given at any time to secure the Indebtedness. Borrower shall, at all times, indemnify, hold harmless and reimburse Lender on demand for any and all loss, damage, expense or cost, including cost of evidence of title and attorneys' fees, arising out of or incurred in connection with any such suit, action or proceeding, and the sum of such expenditures shall be secured by this Mortgage, and shall bear interest after demand at the rate specified in the Notes applicable to a period when an uncured default exists thereunder, and such interest shall be secured hereby and shall be due and payable on demand.

## Application of Proceeds of Foreclosure Sale.

14. The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding Paragraph hereof; second, all other items which may under the terms hereof constitute secured Indebtedness additional to that evidenced by the Notes, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Notes; and fourth, any overplus to any party entitled thereto as their rights may appear.

## Appointment of Receiver or Mortgagee in Possession.

15. Upon, or at any time after, the commencement of an action to foreclose this Mortgage, the court in which such action was commenced may, upon request of the Lender, appoint a receiver of the Premises either before or after foreclosure sale, without notice and without regard to the solvency or insolvency of Borrower at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not; and the Lender or any holder of either of the Notes may be appointed as such receiver or as Lender in possession. Such receiver or the Lender in possession shall have power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure action and, in case of a sale and a deficiency, during the full statutory period of redemption (if any), whether there be redemption or not, as well as during any further times (if any) when Borrower, except for the intervention of such receiver or Lender in possession, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period. The court from time to time may authorize the receiver or Lender in possession to apply the net income in its hands in payment in whole or in part of: (a) the Indebtedness secured hereby or by any order or judgment foreclosing the lien of this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or the lien of such order or judgment, provided such application is made prior to foreclosure sale; (b) the deficiency in case of a sale and deficiency.

## Rights Cumulative.

16. Each right, power and remedy conferred upon the Mortgagee by this Mortgage and by all other documents evidencing or securing the Indebtedness and conferred by law and in equity is cumulative and in addition to every other right, power and remedy, express or implied, given now or hereafter existing, at law and in

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equity; and each and every right, power and remedy herein or therein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Lender; and the exercise or the beginning of the exercise of one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy; and no delay or omission of, or discontinuance by, the Lender in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

## Mortgage's Right of Inspection.

17. Lender shall have the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose.

## Condemnation.

18. Borrower hereby assigns, transfers and sets over unto the Lender the entire proceeds of any claim for damages for any of the Premises taken or damaged under the power of eminent domain or by condemnation. So long as: (a) leases covering not less than 85% of the rentable square feet in the Premises are in full force and effect and each tenant thereunder is not in default and such taking shall not result in the termination or cancellation of any of those leases or give any tenant thereunder the right to cancel its lease; (b) the Premises require repair, rebuilding or restoration; and (c) this Mortgage is not in default; then any award, after deducting therefrom any expenses incurred in the collection thereof, shall be made available by the Lender for the repair, rebuilding or restoration of the Premises in accordance with plans and specifications to be submitted to and approved by the Lender.

In all other cases, the Lender may elect to apply the proceeds of the award upon or in reduction of the Indebtedness, whether due or not, or make those proceeds available for repair, restoration or rebuilding of the Premises in accordance with plans and specifications to be submitted to and approved by the Lender. In any case where proceeds are made available for repair, rebuilding or restoration, the proceeds of the award shall be paid out in the same manner and under the same conditions provided in Paragraph 6 hereof for the payment of insurance proceeds toward the cost of repair, rebuilding or restoration. Any surplus which may remain out of said award after payment of such cost of repair, rebuilding, restoration and the reasonable charges of the Disbursing Party shall, at the option of the Lender, be applied on account of the Indebtedness or paid to any party entitled thereto as the same appear on the records of the Lender. No interest shall be allowed to Borrower on account of any proceeds of any award held by the Lender.

## Release Upon Payment and Discharge of Borrower's Obligations.

19. Lender shall release this Mortgage and the lien hereof by proper instrument upon payment and discharge of all Indebtedness secured hereby (including any prepayment charges and late charges provided for herein or in the Notes) and upon payment of a reasonable fee to Lender for the execution of such instrument.

## Giving of Notice.

20. Any notice which either party hereto may desire or be required to give to the other party shall be in writing and the mailing thereof by certified mail addressed to the Borrower or to the Lender, as the case may be, at the respective addresses set

forth on the first page hereof or at such other place as any party hereto may by notice in writing designate as a place for service of notice, shall constitute service of notice hereunder. Copies of notices to Borrower shall also be sent to Miller, Shakman, Nathan & Hamilton, 208 South LaSalle Street, Suite 1200, Chicago, Illinois 60604, Attention: Michael S. Kurtzon. Copies of notices to Lender shall also be sent to Schwartz & Freeman, 401 North Michigan Avenue, Chicago, Illinois 60611, Attention: Stephen E. Goodman and to Rudnick & Wolfe, 203 North LaSalle Street, Chicago, Illinois 60601, Attention: Charles L. Edwards, Esq.

## Waiver of Defense.

21. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the Notes.

## Waiver of Statutory Rights.

22. Borrower shall not and will not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws or any so-called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of the lien of this Mortgage but hereby waives the benefit of such laws. Borrower, for itself and all who may claim through or under it, waives any and all right to have the property and estates comprising the Premises marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Premises sold as an entirety. Borrower does hereby expressly waive any and all rights of redemption from sale under any order or judgment of foreclosure of the lien of this Mortgage on behalf of the Borrower, the trust estate and all persons beneficially interested therein and each and every person, except judgment creditors of the Borrower in its representative capacity and of the trust estate, acquiring any interest in or title to the Premises subsequent to the date of this Mortgage.

## Furnishing of Financial Statements to Lender.

23. Borrower covenants and agrees that it will keep and maintain, or cause its beneficiary or beneficiaries from time to time to keep and maintain, books and records of account in which full, true and correct entries shall be made of all dealings and transactions relative to the Premises, which books and records of account shall, at reasonable times and on reasonable notice, be open to the inspection of the Lender and its accountants and other duly authorized representatives. Such books of record and account shall be kept and maintained in accordance with generally accepted accounting principles consistently applied.

23a. Borrower covenants and agrees to furnish to the Lender, within ninety (90) days following the end of every fiscal year applicable to the operation of the improvements on the Premises, a copy of a report of the operations of the improvements on the Premises for the year then ended, to be certified by a beneficiary of Borrower (or a general partner, if the beneficiary of Borrower is a partnership or the chief financial officer if the beneficiary of Borrower is a corporation) satisfactory to the Lender, including a balance sheet and supporting schedules and containing a detailed statement of income and expenses. Each such certificate to each such annual report shall certify that the certifying party examined such records as were deemed necessary for such certification and that those statements are true, correct and complete.

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23b. If Borrower fails to furnish promptly any report required by Paragraph 23a., Borrower covenants and agrees to pay to Lender the sum of TWO HUNDRED DOLLARS (\$200.00) as administrative expenses for each month or part thereof elapsing after such ninety (90) day period until such report is furnished to Lender.

23c. If Borrower fails to furnish promptly any report required by Paragraph 23a., the Lender may elect (in addition to exercising any other right, remedy and power) to make an audit of all books and records of Borrower and its beneficiaries which in any way pertain to the Premises and to prepare the statement or statements which Borrower failed to procure and deliver. Such audit shall be made and such statement or statements shall be prepared by an independent Certified Public Accountant to be selected by the Lender. Borrower shall pay all expenses of the audit and other services which expenses shall be secured hereby as additional Indebtedness and shall be immediately due and payable with interest thereon at the rate set forth in the Notes applicable to a period when a default exists thereunder.

## Filing and Recording Charges and Taxes.

24. Borrower will pay all filing, registration, recording and search and information fees, and all expenses incident to the execution and acknowledgement of this Mortgage and all other documents securing the Notes and all federal, state, county and municipal taxes, other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery, filing, recording or registration of the Notes, this Mortgage and all other documents securing the Notes and all assignments thereof.

## Business Purpose; Usury Exemption.

25. The proceeds of the loan secured by this Mortgage will be used for the purposes specified in Paragraph 6404 of Chapter 17 of the 1981 Illinois Revised Statutes, and that the principal obligation secured hereby constitutes a "business loan" which comes within the purview and operation of said paragraph.

## Miscellaneous.

26. Binding Nature. This Mortgage and all provisions hereof shall extend to and be binding upon the original Borrower named on page 1 hereof and its successors, grantees, assigns, each subsequent owner or owners of the Premises and all persons claiming under or through Borrower; and the word "Borrower" when used herein shall include all persons and all persons primarily and secondarily liable for the payment of the Indebtedness or any part thereof, whether or not such persons shall have executed the Notes or this Mortgage.

26a. Release of Previous Holder. The word "Lender" when used herein shall include the successors and assigns of the original Lender named on page 1 hereof, and the holder or holders, from time to time, of the Notes. However, whenever any Note is sold, each prior holder shall be automatically freed and relieved, on and after the date of such sale, of all liability with respect to the performance of each covenant and obligation of Lender hereunder thereafter to be performed, provided that any monies in which the Borrower has an interest, which monies are then held by the seller of a Note, are turned over to the purchaser of the Note.

26b. Severability and Applicable Law. In the event one or more of the provisions contained in this Mortgage or in the Notes or in any other document given at any time to secure the payment of the Notes shall, for any reason, be held to be invalid, illegal or

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unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Lender, not affect any other provision of this Mortgage, the Notes or other document and this Mortgage, the Notes or other document shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein. The validity and interpretation of this Mortgage and the Notes it secures are to be construed in accordance with and governed by the laws of the State in which the Premises are situated.

26c. Governmental Compliance. Borrower shall not by act or omission permit any lands or improvements not subject to the lien of this Mortgage to include the Premises or any part thereof in fulfillment of any governmental requirement, and Borrower hereby assigns to Lender any and all rights to give consent for all or any portion of the Premises to be so used. Similarly, no lands or improvements comprising the Premises shall be included with any lands or improvements not subject to the lien of this Mortgage in fulfillment of any governmental requirement. Borrower shall not by act or omission impair the integrity of the Premises as a single zoning lot separate and apart from all other premises. Any act or omission by Borrower which would result in a violation of any of the provisions of this paragraph shall be void.

26d. Environmental Matters. There will be no Hazardous or Toxic Material (as hereinafter defined) existing on or under the surface of the Premises or in any surface waters or ground waters on or under the Premises and no escape, seepage, spillage, discharge, emission or release of any Hazardous or Toxic Material shall occur on, under, above, or emanate from, the Premises. The Premises will not be used as a sanitary landfill, dump site, industrial disposal area, or storage site for Hazardous or Toxic Material, or for any other similar use, on either a permanent or temporary basis; provided, however, that this provision shall not prohibit the possession or use by Borrower or its tenants of materials in such quantities, and used under such conditions, as do not constitute a hazardous condition, or subject the Borrower, tenants or the Premises to any applicable lien, violation, law, rule or regulation as a result of such possession or use. The term Hazardous or Toxic Material shall be defined to include: (i) asbestos or any material composed of or containing asbestos in any form and of any type, or (ii) any hazardous, toxic or dangerous waste, substance, material, smoke, gas or particulate matter, as from time to time defined by or for purposes of the Comprehensive Environmental Response Compensation and Liability Act, and any law commonly referred to as of the date hereof as "Superfund" or "Superlien" or any successor to such laws, or any other Federal, State or local environmental, health or safety statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards concerning or in connection with hazardous, toxic or dangerous waste, substance, material, smoke, gas or particulate matter, as now or any time hereafter in effect. Borrower will indemnify and hold Lender free and harmless from any and all loss, liability, cost or expense (including, without limitation, the reasonable cost of attorneys, consultants, analyses, litigation, clean-up and settlement expenses) which Lender may incur, or to which Lender may be or become subject, as a result of any breach by Borrower of this paragraph, or as the result of the assertion by any person of any facts or circumstances which, if proven correct, could result in any such loss, liability, cost or expense to Lender. The indemnity set forth in this paragraph shall survive the repayment of the loan secured hereby, and the release and discharge of this Mortgage.

26e. Estoppel Certificate. Borrower, within fifteen (15) days after mailing of a written request by the Lender, agrees to furnish



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from time to time a signed statement setting forth the amount of the Indebtedness and whether or not any default, offset or defense then is alleged to exist against the Indebtedness and, if so, specifying the nature thereof.

26f. Non-Joinder of Tenant. After an event of default, Lender shall have the right and option to commence a civil action to foreclose the lien of this Mortgage and to obtain an order or judgment of foreclosure and sale subject to the rights of any tenant or tenants of the Premises. The failure to join any tenant or tenants of the Premises as party defendant or defendants in any such civil action or the failure of any such order or judgment to foreclose their rights shall not be asserted by the Borrower as a defense in any civil action instituted to collect the Indebtedness secured hereby, or any part thereof or any deficiency remaining unpaid after foreclosure and sale of the Premises, any statute or rule of law at any time existing to the contrary notwithstanding.

26g. Regulation G Clause. Borrower covenants that the proceeds evidenced by the Notes secured hereby will not be used for the purchase or carrying of registered equity securities within the purview and operation of Regulation G issued by the Board of Governors of the Federal Reserve System.

## Security Agreement and Financing Statement.

27. Borrower and Lender agree: (i) that this Mortgage shall constitute a Security Agreement within the meaning of the Uniform Commercial Code (the "Code") of the State in which the Premises are located with respect to all sums on deposit with the Lender pursuant to Paragraphs 6 and 18 hereof ("Deposits") and with respect to any property included in the definition herein of the word "Premises", which property may not be deemed to form a part of the real estate described in EXHIBIT "B" or may not constitute a "fixture" (within the meaning of Section 9-313 of the Code), and all replacements of such property, substitutions for such property, additions to such property, and the proceeds thereof (said property, replacements, substitutions, additions and the proceeds thereof being sometimes herein collectively referred to as the "Collateral"); and (ii) that a security interest in and to the Collateral and the Deposits is hereby granted to the Lender; and (iii) that the Deposits and all of Borrower's right, title and interest therein are hereby assigned to the Lender; all to secure payment of the Indebtedness and to secure performance by the Borrower of the terms, covenants and provisions hereof.

In the event of a default under this Mortgage, the Lender, pursuant to the appropriate provisions of the Code, shall have an option to proceed with respect to both the real property and Collateral in accordance with its rights, powers and remedies with respect to the real property, in which event the default provisions of the Code shall not apply. The parties agree that if the Lender shall elect to proceed with respect to the Collateral separately from the real property, fifteen (15) days notice of the sale of the Collateral shall be reasonable notice. The reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by the Lender shall include, but not be limited to, reasonable attorneys' fees and legal expenses incurred by Lender. The Borrower agrees that, without the written consent of the Lender, the Borrower will not remove or permit to be removed from the Premises any of the Collateral except that so long as the Borrower is not in default hereunder, Borrower shall be permitted to sell or otherwise dispose of the Collateral when obsolete, worn out, inadequate, unserviceable or unnecessary for use in the operation of the Premises, but only upon replacing the same or substituting for the same other Collateral at least equal in value and utility to the initial value and

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utility of that disposed of and in such a manner that said replacement or substituted Collateral shall be subject to the security interest created hereby and that the security interest of the Lender shall be perfected and first in priority, it being expressly understood and agreed that all replacements, substitutions and additions to the Collateral shall be and become immediately subject to the security interest of this Mortgage and covered hereby. The Borrower shall, from time to time, on request of the Lender, deliver to the Lender at the cost of the Borrower: (i) such further financing statements and security documents and assurances as Lender may require, to the end that the liens and security interests created hereby shall be and remain perfected and protected in accordance with the requirements of any present or future law; and (ii) an inventory of the Collateral in reasonable detail. The Borrower covenants and represents that all Collateral now is, and that all replacements thereof, substitutions therefor or additions thereto, unless the Lender otherwise consents, will be free and clear of liens, encumbrances, title retention devices and security interests of others.

The Borrower and Lender agree, to the extent permitted by law, that: (i) all of the goods described within the definition of the word "Premises" herein are or are to become fixtures on the land described in "EXHIBIT B"; (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 Code; and (iii) Borrower is a record owner of the land described in EXHIBIT B.

If the Collateral is sold in connection with a sale of the Premises, Borrower shall notify the Lender prior to such sale and shall require as a condition of such sale that the purchaser specifically agree to assume Borrower's obligations as to the security interests herein granted and to execute whatever agreements and filings are deemed necessary by the Lender to maintain Lender's first perfected security interest in the Collateral, Deposits and the deposits described in Paragraph 4 above.

## Lien for Loan Commissions, Service Charges and the like.

28. So long as the original Lender named on page 1 hereof is the owner of the Notes, and regardless of whether any proceeds of the loan evidenced by the Notes have been disbursed, this Mortgage also secures the payment of all loan commissions, service charges, liquidated damages, expenses and advances due to or incurred by the Lender in connection with the loan transaction intended to be secured hereby, all in accordance with the application of, and loan commitment issued to and accepted by, one or more of Borrower's beneficiaries in connection with said loan.

## Due on Sale or Further Encumbrance Clause.

29. In determining whether or not to make the loan secured hereby, Lender examined the credit-worthiness of Beneficiary and its general partner, found it acceptable and relied and continues to rely upon same as the means of repayment of the loan. Lender also evaluated the background and experience of the general partner of Beneficiary in owning and operating property such as the Premises, found it acceptable and relied and continues to rely upon same as the means of maintaining the value of the Premises which is Lender's security for the loan. The general partner of Beneficiary is a business person or entity well-experienced in borrowing money and owning and operating property such as the Premises, the Beneficiary and its general partner were ably represented by a licensed attorney at law in the negotiation and documentation of the loan

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secured hereby and bargained at arm's length and without duress of any kind for all of the terms and conditions of the loan, including this provision. Beneficiary recognizes that Lender is entitled to keep its loan portfolio at current interest rates by either making new loans at such rates or collecting assumption fees and/or increasing the interest rate on a loan, the security for which is purchased by a party other than the original Beneficiary or the Land Trustee. Beneficiary further recognizes that any secondary or junior financing placed upon the Premises, or the beneficial interest secured hereby could result in acceleration and foreclosure by any such junior encumbrancer which would force Lender to take measures and incur expenses to protect its security, would detract from the value of the Premises should Lender come into possession thereof with the intention of selling same and would impair Lender's right to accept a deed in lieu of foreclosure, as a foreclosure by Lender would be necessary to clear the title to the Premises.

In accordance with the foregoing and for the purposes of (i) protecting Lender's security, both of repayment by Borrower and of value of the Premises; (ii) giving Lender the full benefit of its bargain and contract with Borrower; (iii) allowing Lender to raise the interest rate and/or collect assumption fees; and (iv) keeping the Premises and the beneficial interest free of subordinate financing liens, Borrower agrees that if this Paragraph is deemed a restraint on alienation, that it is a reasonable one and that any sale, conveyance, assignment, further encumbrance or other transfer of title to the Premises or any interest therein (whether voluntary or by operation of law) without the Lender's prior written consent shall be an event of default hereunder. For the purpose of, and without limiting the generality of, the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an unpermitted transfer of title to the Premises and therefore an event of default hereunder:

(a) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, all or any part of the title to the Premises or the beneficial interest or power of direction under the trust agreement between the Land Trustee and the Beneficiary;

(b) any sale, conveyance, assignment, or other transfer of, or the grant of a security interest in, any share of stock of any corporation (herein called a "Beneficiary Corporation") which a the Beneficiary, or of any corporation directly or indirectly controlling such Beneficiary;

(c) any sale, conveyance, assignment, or other transfer of, or the grant of a security interest in, any general partnership interest in any limited partnership or general partnership which is the Beneficiary;

(d) any sale, conveyance, assignment, or other transfer of, or the grant of a security interest in, any share of stock of any corporation directly or indirectly controlling the Beneficiary.

Any consent by the Lender, or any waiver of an event of default, under this Paragraph shall not constitute a consent to, or waiver of any right, remedy or power of the Lender upon a subsequent event of default under this Paragraph.

Notwithstanding the foregoing, Alan Israel, as the general partner of Beneficiary, shall be entitled to convert a portion of his general partnership interest into a limited partnership interest, and to transfer a portion of his general partnership interest, and his limited partnership interest, to any of his wife, children, spouses of children, grandchildren, and trusts for his

benefit and/or the benefit of such other persons, provided that Alan Israel remains the controlling general partner of Beneficiary, holding not less than a majority of the general partnership interest.

### Construction Mortgage; Incorporation of Commitment Terms.

30. This Mortgage secures an obligation incurred to finance the construction of buildings and other improvements on the lands hereby mortgaged and constitutes a "construction mortgage" within the meaning of Section 9-313 of the Code. The loan evidenced by the Notes is to be disbursed by Lender to or for the benefit of Borrower in accordance with the provisions contained in one or more of (i) the Lender's Mortgage Loan Commitment dated August 4, 1987, as amended by subsequent letter dated October 6, 1987 (the "MLC") and (ii) the Construction Loan Agreement, dated the date hereof (the "Loan Agreement"). All evidences of Indebtedness arising and accruing under the Loan Agreement and the MLC, from time to time, whether or not the total amount thereof may exceed the face amount of the Notes, shall be Indebtedness of Borrower and secured hereby to the same extent as though the Loan Agreement and MLC were fully incorporated in this Mortgage at this point; and the occurrence of any event of default under the Loan Agreement or MLC shall constitute an event of default under this Mortgage, entitling Lender to all the rights, powers and remedies conferred upon the Lender by the terms of the Loan Agreement, the MLC, this Mortgage and all other security now held by Lender and by law, as in the case of any other default hereunder.

### Right of First Refusal for Future Financing, Joint Venture or Sale.

31. Until the Indebtedness secured hereby is paid in full, if Borrower elects to accept any financing or refinancing of the Premises, Borrower shall notify Lender of such intention, and describe the terms thereof, including the intended lender. Thereafter, for a period of three (3) business days, Lender shall have the exclusive right to meet or procure from a third party a written offer which meets or betters such financing or refinancing, and if Lender is able to do so, and delivers notice to Borrower that it is able to do so within such three (3) day period, Borrower shall accept such financing or refinancing from Lender; and in the event that Lender provides or arranges financing or refinancing, Borrower shall pay to Lender a fee of one percent (1%) of the new loan amount. Until the Indebtedness secured hereby is paid in full, if Borrower elects to joint venture or sell the Premises, Borrower shall notify Lender of such intention, and describe the terms thereof, including the intended joint venturer or purchaser. Thereafter, for a period of three (3) business days, Lender shall have the exclusive right to meet or procure from a third party a written offer which meets or betters such offer of joint venture or sale, and if Lender is able to do so, and delivers notice to Borrower that it is able to do so within such three (3) day period, Borrower shall accept such joint venture or sale from or through Lender; and in the event that Lender arranges a sale, Borrower shall pay to Lender a finder's fee of two percent (2%) of the sales price. If Lender shall fail to agree to joint venture or purchase, or arrange the joint venture or purchase, of the Premises within such time period, then Borrower shall be free to sell or joint venture the Premises, to the party identified in the notice, under the same terms and conditions as those offered to Lender (or under the same terms and conditions, but with a larger purchase price). If Borrower elects to joint venture or sell under terms or conditions which differ materially from those offered to Lender (other than by a larger purchase price), then Lender shall again have the first right to purchase or joint venture the Premises.

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## Exculpatory.

32. Notwithstanding anything to the contrary contained in this Mortgage, in the event of a default by the Borrower hereunder, Lender's sole recourse and remedy shall be against the Premises and any other collateral or undertakings now or hereafter pledged or delivered to Lender to secure any sums due under the Notes, this Mortgage, or the other Loan Documents, and no deficiency or other money judgment shall be sought or obtained against the Borrower or its partners except to the extent that any of such partners may have signed a personal guarantee; except that Borrower and the general partner of Beneficiary shall be personally liable for any loss of Lender as a result of any of the following: (i) misapplication of condemnation or insurance proceeds attributable to the Premises in breach of the provisions of the Loan Documents (ii) any fraud, knowing misrepresentation or waste committed by Borrower (iii) misapplication of security deposits attributable to the Premises (iv) the collection of rent in advance in violation of the provisions of any of the Loan Documents (v) the failure of Borrower to apply revenues generated from the ownership and operation of the Premises toward the timely payment of any portion of the Indebtedness (subject to usual and customary operating and maintenance expenditures) or (vi) the existence of or presence now (or at any time in the future when the Borrower owns the Premises) in the Premises of any Hazardous or Toxic Material (as such terms are defined in the Mortgage.)

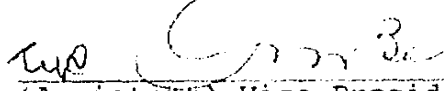
This Mortgage is executed by the Land Trustee, not personally, but as trustee aforesaid in the exercise of the power and authority conferred upon and vested in it as such trustee (and the Land Trust hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing contained herein or in the Notes shall be construed as creating any liability on the Land Trust personally to pay the Notes or any interest, late charge or premium that may accrue thereon, or any Indebtedness secured by this Mortgage or to perform any covenant, either express or implied herein contained, all such liability, if any, being expressly waived by Lender and by every person now or hereafter claiming any right of security hereunder, and that so far as Land Trustee personally is concerned, the legal holder or holders of the Notes and the owner or owners of any Indebtedness secured hereby shall look solely to the Beneficiary, the Premises and Collateral hereby mortgaged, conveyed and assigned and to any other security given at any time to secure the payment thereof.

IN WITNESS WHEREOF, the Borrower has executed this instrument as of the day and year first above written.

Attest:

  
(Assistant) Secretary

LASALLE NATIONAL BANK, not personally but solely as Trustee under Trust Agreement dated January 9, 1986, and known as trust # 110740

By:   
(Assistant) Vice President

DUNDEE-LANDWEHR LIMITED  
PARTNERSHIP, an Illinois limited  
partnership

By:   
Alan H. Israel, general partner

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STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF COOK )

Marla Francina

I, Marla Francina, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that Corinne Bek, personally known to me to be the Ass't Vice President of LaSalle National Bank, a National banking association and William H. Dillon, personally known to me to be the Secretary of said Bank, whose names are subscribed to the within instrument, appeared before me this day in person and severally acknowledged that as such President and Secretary, they signed and delivered the said Instrument of writing as President and Secretary of said Bank, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 23<sup>rd</sup> day of December, A.D., 1987.

Marla Francina  
Notary Public

My Commission Expires:

4-28-90

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF COOK )

I, Michael Kurtzon, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that Alan H. Israel, personally known to me to be the general partner of Dundee-Landwehr Limited Partnership, an Illinois limited partnership, appeared before me this day in person and acknowledged that as such general partner, he signed and delivered the foregoing instrument, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 17<sup>th</sup> day of December, A.D., 1987.

Michael Kurtzon  
Notary Public

My Commission Expires:



COOK COUNTY, ILLINOIS  
FILED FOR RECORD

1987 DEC 30 AM 10:37

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EXHIBIT A

PROMISSORY NOTE

\$6,000,000

Chicago, Illinois  
December 17, 1987

FOR VALUE RECEIVED, the undersigned, LASALLE NATIONAL BANK, not personally but solely as Trustee under Trust Agreement dated January 9, 1986, and known as Trust Number 110740 ("Land Trustee") and DUNDEE-LANDWEHR LIMITED PARTNERSHIP, an Illinois limited partnership (the "Beneficiary") (the Land Trustee and the Beneficiary are herein collectively referred to as the "Borrower") hereby jointly and severally promise to pay to the order of FOCUS REAL ESTATE FINANCE CO., a Delaware corporation, or its successors or assigns ("Lender"), at the main office of Lender at 200 West Madison, Suite 3000, Chicago, Illinois 60606, or at such other place as Lender from time to time may designate in writing, the principal sum of SIX MILLION AND NO/100 DOLLARS (\$6,000,000) or such lesser amount as may be disbursed from time to time hereunder, in lawful money of the United States of America, together with interest on the balance of the principal disbursed by Lender and remaining from time to time unpaid at the "Interest Rate," (as hereinafter defined). Interest only shall be payable monthly, in arrears, on the first day of each and every month, commencing with the first day of month next after the initial disbursement of the "Loan" (as hereinafter defined). All such payments on account of this Note shall be applied first to interest on the unpaid principal balance at the Interest Rate, second to all other sums due Lender hereunder or under the "Loan Documents" (as hereinafter defined) and the remainder to reduce the unpaid principal balance hereof. Any unpaid interest, late charges and all other sums due hereunder, under the "Mortgage" (as hereinafter defined) and under the other Loan Documents plus the unpaid principal balance hereof shall be due and payable on the "Maturity Date". The "Maturity Date" of this Note shall be December 31, 1989, unless extended in accordance with the terms hereof, or such earlier maturity date as may be caused by agreement or default.

As used in this Note, the term "Interest Rate" means the greater of (a) two percentage points (2%) per annum in excess of the "Prime Rate" or (b) 10.25% per annum. The "Prime Rate" means the rate of interest then most recently announced by National Bank of Canada ("NBC"), at its Chicago, Illinois office, as its prime rate. The Interest Rate shall (i) change on the same day as any change in the Prime Rate; (ii) be charged only on the principal balance at any time disbursed and not repaid; (iii) be computed on the basis of a 360-day year; and (iv) be charged only for the actual number of days in the period for which interest is being charged. Prime Rate shall be the rate "announced" notwithstanding that another rate or rates may actually be charged, and Lender shall have no liability on account of such discrepancy. A written statement or notice from NBC as to what the Prime Rate was on a given date shall be conclusive and if NBC ceases to announce a Prime Rate, the corporate rate announced by any other bank in the City of Chicago, Illinois selected by Lender shall be an acceptable substitute therefor. In any event, if the Interest Rate, as adjusted, as provided herein or therein would exceed the maximum legal rate of interest in the State of Illinois, then "Interest Rate" shall mean such maximum legal rate of interest.

Repayment of this Note is secured by a MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT (the "Mortgage") of even date herewith from Borrower as mortgagor to Lender and National Canada Corporation ("NCC") as mortgagee, encumbering real estate in

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Northbrook, Cook County, Illinois, commonly known as the Northeast Corner of Dundee and Landwehr Roads, and the office building to be constructed thereon, and all other improvements thereon (the "Premises") and by any and all other documents evidencing the making of the loan (the "Loan") evidenced hereby and by a note of even date herewith from the Borrower in the principal amount of \$8,975,000, payable to the order of NCC (the "NCC Note") or used as security therefor. This Note, the NCC Note, the Mortgage, the Construction Loan Agreement (the "Loan Agreement") and each and every other document now evidencing or securing or hereafter given to evidence or secure the Loan, and all amendments, modifications, replacements and restatements thereof are herein sometimes collectively referred to as the "Loan Documents." The Mortgage contains a Due on Sale or Further Encumbrance clause, which is incorporated herein by this reference. The Loan is in the aggregate amount of \$14,975,000, and is being made by the Lender and NCC pursuant to the terms of a Participation Agreement dated as of the date hereof, between Lender and NCC, which Participation Agreement shall govern the relationship between Lender and NCC but shall not affect the Borrower's duties, obligations, rights and privileges under the Loan Documents. Borrower shall not be responsible for allocating payments between Lender and NCC, unless and until NCC shall have notified Borrower that payments are no longer to be made to Lender under the NCC Note.

The Loan may be prepaid in whole or in part without premium or penalty on any monthly payment due date on not less than thirty (30) days prior written notice to Lender, provided any right of first refusal for future financing, purchase and joint venture herein provided has been first honored.

If any installment of principal or interest due hereunder, or any monthly deposit for taxes or insurance if required under the Loan Documents, shall become overdue (and whether or not Borrower has the right to cure any such overdue payment), Borrower shall pay to Lender a "late charge" of four cents (\$0.04) for each dollar so overdue, in order to defray part of the increased cost of collection occasioned by any such late payments, as liquidated damages and not as a penalty.

AND IT IS HEREBY EXPRESSLY AGREED by Borrower that time is of the essence hereof, and that

1. if any default occurs in the payment of principal or interest hereunder or under the NCC Note or in the payment of any other required monetary sum hereunder or thereunder on any date on which any such payment shall be due and such amount remains unpaid for a period of ten days following the due date thereof (except that it shall not be a default hereunder if interest payments made pursuant to Lender's regular monthly statements are made by the later of (i) ten days after the date of such statement or (ii) the tenth day of the month), or

2. if any default occurs in the performance or observance by Borrower of any other term, agreement or condition contained in this Note, in the NCC Note, in the Mortgage, or in any other of the Loan Documents which default is not cured within thirty (30) days thereof; provided that, if Borrower acts diligently, continuously in good faith to cure such default within such thirty (30) day period and such default cannot reasonably be cured within such time period, then such time period shall be automatically extended for an additional sixty (60) day period, or



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3. if the right to foreclose the Mortgage accrues to Lender,

then, at the option of Lender, Lender may do one or more of the following:

(a) Collect interest on the entire unpaid principal balance hereof at a rate of interest two percentage points (2%) per annum above the Interest Rate from the date of such default until such default is cured by Borrower; and

(b) Declare the entire unpaid principal balance hereof, with interest accrued thereon and all other sums due from Borrower hereunder and under the Mortgage and the other Loan Documents to be immediately due and payable, without notice, notice being hereby expressly waived; and

(c) Pursue each and every other right, remedy, and power it may have under this Note, the Mortgage, and the Loan Documents and at law and in equity.

The rights, remedies, and powers of Lender, as provided in this Note, in the Mortgage and in all other Loan Documents, are cumulative and concurrent, and may be pursued singly, successively, or together against Borrower, the property described in the Mortgage, the guarantor(s) hereof, and any other security given at any time to secure the payment hereof, all at the sole discretion of Lender.

Borrower and each guarantor, surety and endorser hereof, if any, jointly and severally waive presentment for payment, demand, notice of nonpayment, notice of dishonor, protest of any dishonor, notice of protest and protest of this Note, and all other notices in connection with the delivery, acceptance, performance, default, or enforcement of the payment of this Note, and they agree that the liability of each of them shall be joint, several, and unconditional and without regard to the liability of any other party and shall not be in any manner affected by any indulgence, extension of time, renewal, waiver, or modification granted or consented to by the Lender hereof; and Borrower and each guarantor, surety and endorser hereof, if any, consent to every extension of time, renewal, waiver, or modification that may be granted by any holder hereof with respect to the payment or other provisions of this Note, and to the release of any collateral given to secure the payment hereof, or any part thereof, with or without substitution, and agrees that additional makers, guarantors, sureties, or endorsers may become parties hereto without notice to Borrower or such guarantors, sureties, or endorsers and without affecting the liability of any of them hereunder.

Lender shall not, by any act of omission or commission, be deemed to waive any of its rights, remedies, or powers hereunder or otherwise unless such waiver is in writing and signed by Lender and then only to the extent specifically set forth therein. A waiver of Lender's rights, remedies or powers with respect to one default shall not be construed as continuing or as a bar to or waiver of such rights, remedies, or powers with respect to a subsequent default.

If this Note is placed in the hands of any attorney for collection by civil action or otherwise, or to enforce its collection or to protect any security for its payment, Borrower

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shall pay all costs of collection and litigation together with reasonable attorneys' fees, including costs and attorneys' fees related to any bankruptcy proceeding or creditors' meeting.

The validity and interpretation of this Note shall be governed by the laws of Illinois.

Provided there shall be no default under this Note, the NCC Note or any of the other Loan Documents, and no event shall have occurred which, but for the passage of time or the giving of notice or both, would constitute a default hereunder, under the NCC Note or under any of the Loan Documents, Borrower shall have the right to extend the Maturity Date of this Note and the NCC Note for two (2) consecutive six (6) month periods upon the following terms and conditions. As a condition precedent for each extension, Borrower must furnish Lender written notice of its election to exercise such extension at least sixty (60) days prior to the Maturity Date or the then current extension thereof. Along with such notice, Borrower shall (i) extend the NCC Note (ii) deliver to Lender a nonrefundable extension fee payable in the amount of \$45,000 and (iii) deliver to Lender a cash payment in the amount of the "cash shortfall." The cash shortfall shall be equal to Lender's good faith estimate of amount by which the projected costs and expenses of completing and operating the property secured by the Mortgage (the "Premises") for the period covered by the extension shall exceed the sum of the income from the Premises, plus the amount of funds remaining undisbursed in the Loan. Expenses shall include, without limitation, construction costs, leasing commissions, tenant concessions, tenant finish and allowances, interest hereon and on the NCC Note, real estate taxes, hazard insurance premiums, operating expenses, maintenance and repair costs, replacement costs and reasonable reserves, administrative and overhead charges and management and professional fees. Income shall be based upon actual leases in full force and effect, and not upon pro-forma rents. For purposes of determining whether there is a cash shortfall, Loan proceeds remaining to be disbursed shall not be reallocated among budget categories, unless such reallocation is provided under the Loan Agreement.

Any notice, demand or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given if and when personally delivered, or on the second business day after being deposited in United States registered or certified mail, postage prepaid, and addressed to a party at its address set forth below or to such other address the party to receive such notice may have designated to all other parties by notice in accordance herewith:

If to Lender:

Focus Real Estate Finance Co.  
200 West Madison Street  
Suite 3000  
Chicago, Illinois 60606  
Attention: Alan Miller, Esq.

and

National Canada Corporation  
20 North Clark Street  
Suite 3510  
Chicago, Illinois 60602  
Attention: William S. Best

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with copies to:

Schwartz & Freeman  
401 North Michigan Avenue  
Suite 3400  
Chicago, Illinois 60611  
Attention: Stephen E. Goodman, Esq.

and

Rudnick & Wolfe  
203 North LaSalle Street  
Chicago, Illinois 60601  
Attention: Charles L. Edwards, Esq.

If to Borrower and the Land Trustee:

c/o Alan H. Israel  
and Lorna Jacobsen  
Phoenix Executive Suite  
3340 Dundee Road  
Northbrook, Illinois 60062

with a copy to:

Miller, Shakman, Nathan & Hamilton  
208 South LaSalle Street  
Suite 1200  
Chicago, Illinois 60604  
Attention: Michael S. Kurtzon, Esq.

or to such other address the party to receive such notice may have theretofore furnished to all other parties by notice in accordance herewith. Except as otherwise specifically required herein, no notice of the exercise of any right or option granted to Lender herein is required to be given.

Notwithstanding anything to the contrary contained in this Note, in the event of a default by the Borrower hereunder, Lender's sole recourse and remedy shall be against the Premises and any other collateral or undertakings now or hereafter pledged or delivered to Lender to secure any sums due under this Note, or the other Loan Documents, and no deficiency or other money judgment shall be sought or obtained against the Borrower or its partners; except that Borrower and the general partner of Beneficiary shall be personally liable for any loss of Lender as a result of any of the following: (i) misapplication of condemnation or insurance proceeds attributable to the Premises in breach of the provisions of the Loan Documents (ii) any fraud, knowing misrepresentation or waste committed by Borrower (iii) misapplication of security deposits attributable to the Premises (iv) the collection of rent in advance in violation of the provisions of any of the Loan Documents (v) the failure of Borrower to apply revenues generated from the ownership and operation of the Premises toward the timely payment of any portion of the indebtedness evidenced by this Note (subject to usual and customary operating and maintenance expenditures) or (vi) the existence of or presence now (or at any time in the future when the Borrower owns the Premises) in the Premises of any Hazardous or Toxic Material (as such terms are defined in the Mortgage.)

This Note is executed by the Land Trustee not personally, but as trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such trustee (and Trustee warrants that it possesses full power and authority to

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execute and deliver this instrument), and is payable only out of the Premises and other Loan Documents securing the payment hereof by the enforcement of the provisions contained in the Mortgage and other Loan Documents and by enforcement against the Beneficiary. No personal liability shall be asserted or be enforceable against the Land Trustee because of or in respect of this Note or the making, issue or transfer thereof, all such liability, if any, being expressly waived by the Lender, but nothing herein contained shall modify or discharge the personal liability expressly assumed by the Beneficiary, any co-maker or guarantor hereof, and each original and successive Lender of this Note accepts the same upon the express condition that no duty shall rest upon the Land Trustee to sequester the rents, issues and profits arising from the Premises and other Loan Documents, or the proceeds arising from the sale or other disposition thereof, but that in case of default in the payment of this Note or of any installment hereof, the sole remedy of the Lender hereof against the Land Trustee shall be by foreclosure of the Mortgage and other Loan Documents given to secure the indebtedness evidenced by this Note in accordance with the terms and provisions in the Mortgage and other Loan Documents set forth, or any other security given for the indebtedness evidenced hereby.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Note at Chicago, Illinois, pursuant to proper authority duly granted, as of the date and year first above written.

LASALLE NATIONAL BANK, not personally but solely as Trustee under Trust Agreement dated January 9, 1986, and known as trust # 110740

Attest:

\_\_\_\_\_  
(Assistant) Secretary

By: \_\_\_\_\_  
(Assistant) Vice President

DUNDEE-LANDWEHR LIMITED PARTNERSHIP, an Illinois limited partnership

By: \_\_\_\_\_  
Alan H. Israel, general partner

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EXHIBIT A  
PROMISSORY NOTE

\$8,975,000

Chicago, Illinois  
December 17, 1987

FOR VALUE RECEIVED, the undersigned, LASALLE NATIONAL BANK, not personally but solely as Trustee under Trust Agreement dated January 9, 1986, and known as Trust Number 110740 ("Land Trustee") and DUNDEE-LANDWEHR LIMITED PARTNERSHIP, an Illinois limited partnership (the "Beneficiary") (the Land Trustee and the Beneficiary are herein collectively referred to as the "Borrower") hereby jointly and severally promise to pay to the order of NATIONAL CANADA CORPORATION, a Delaware corporation, or its successors or assigns ("Lender"), in care of Focus Real Estate Finance Co. ("Focus"), at 200 West Madison, Suite 3000, Chicago, Illinois 60606, or at such other place as Lender from time to time may designate in writing, the principal sum of EIGHT MILLION NINE HUNDRED SEVENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$8,975,000) or such lesser amount as may be disbursed from time to time hereunder, in lawful money of the United States of America, together with interest on the balance of the principal disbursed by Lender and remaining from time to time unpaid at the "Interest Rate," (as hereinafter defined). Interest only shall be payable monthly, in arrears, on the first day of each and every month, commencing with the first day of month next after the initial disbursement of the "Loan" (as hereinafter defined). All such payments on account of this Note shall be applied first to interest on the unpaid principal balance at the Interest Rate, second to all other sums due Lender hereunder or under the "Loan Documents" (as hereinafter defined) and the remainder to reduce the unpaid principal balance hereof. Any unpaid interest, late charges and all other sums due hereunder, under the "Mortgage" (as hereinafter defined) and under the other Loan Documents plus the unpaid principal balance hereof shall be due and payable on the "Maturity Date". The "Maturity Date" of this Note shall be December 31, 1989, unless extended in accordance with the terms hereof, or such earlier maturity date as may be caused by agreement or default.

As used in this Note, the term "Interest Rate" means the greater of (a) two percentage points (2%) per annum in excess of the "Prime Rate" or (b) 10.25% per annum. The "Prime Rate" means the rate of interest then most recently announced by National Bank of Canada ("NBC"), at its Chicago, Illinois office, as its prime rate. The Interest Rate shall (i) change on the same day as any change in the Prime Rate; (ii) be charged only on the principal balance at any time disbursed and not repaid; (iii) be computed on the basis of a 360-day year; and (iv) be charged only for the actual number of days in the period for which interest is being charged. Prime Rate shall be the rate "announced" notwithstanding that another rate or rates may actually be charged, and Lender shall have no liability on account of such discrepancy. A written statement or notice from NBC as to what the Prime Rate was on a given date shall be conclusive and if NBC ceases to announce a Prime Rate, the corporate rate announced by any other bank in the City of Chicago, Illinois selected by Lender shall be an acceptable substitute therefor. In any event, if the Interest Rate, as adjusted, as provided herein or therein would exceed the maximum legal rate of interest in the State of Illinois, then "Interest Rate" shall mean such maximum legal rate of interest.

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Repayment of this Note is secured by a MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT (the "Mortgage") of even date herewith from Borrower as mortgagor to Lender and Focus as mortgagee, encumbering real estate in Northbrook, Cook County, Illinois, commonly known as the Northeast Corner of Dundee and Landwehr Roads, and the office building to be constructed thereon, and all other improvements thereon (the "Premises") and by any and all other documents evidencing the making of the loan (the "Loan") evidenced hereby and by a note of even date herewith from the Borrower in the principal amount of \$6,000,000, payable to the order of Focus (the "Focus Note"), or used as security therefor. This Note, the Focus Note, the Mortgage, the Construction Loan Agreement (the "Loan Agreement") and each and every other document now evidencing or securing or hereafter given to evidence or secure the Loan, and all amendments, modifications, replacements and restatements thereof are herein sometimes collectively referred to as the "Loan Documents." The Mortgage contains a Due on Sale or Further Encumbrance clause, which is incorporated herein by this reference. The Loan is in the aggregate amount of \$14,975,000, and is being made by the Lender and Focus pursuant to the terms of a Participation Agreement dated as of the date hereof, between Lender and Focus, which Participation Agreement shall govern the relationship between Lender and Focus, but shall not affect the Borrower's duties, obligations, rights or privileges under the Loan Documents. Borrower shall have no liability to the Lender for the payment to Focus of amounts due hereunder, nor shall Borrower be responsible for allocating payments between Lender and Focus, unless and until Lender shall have notified Borrower that payments are no longer to be made to Focus hereunder.

The Loan may be prepaid in whole or in part without premium or penalty on any monthly payment due date on not less than thirty (30) days prior written notice to Lender, provided any right of first refusal for future financing, purchase and joint venture herein provided has been first honored.

If any installment of principal or interest due hereunder, or any monthly deposit for taxes or insurance if required under the Loan Documents, shall become overdue (and whether or not Borrower has the right to cure any such overdue payment), Borrower shall pay to Lender a "late charge" of four cents (\$.04) for each dollar so overdue, in order to defray part of the increased cost of collection occasioned by any such late payments, as liquidated damages and not as a penalty.

AND IT IS HEREBY EXPRESSLY AGREED by Borrower that time is of the essence hereof, and that

1. if any default occurs in the payment of principal or interest hereunder or under the Focus Note or in the payment of any other required monetary sum hereunder or thereunder on any date on which any such payment shall be due and such amount remains unpaid for a period of ten days following the due date thereof (except that it shall not be a default hereunder if interest payments made pursuant to Lender's regular monthly statements are made by the later of (i) ten days after the date of such statement or (ii) the tenth day of the month), or

2. if any default occurs in the performance or observance by Borrower of any other term, agreement or condition contained in this Note, in the Focus Note, in the Mortgage, or in any other of the Loan Documents which default is not cured within thirty (30) days thereof; provided that, if Borrower acts diligently, continuously in

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good faith to cure such default within such thirty (30) day period and such default cannot reasonably be cured within such time period, then such time period shall be automatically extended for an additional sixty (60) day period, or

3. if the right to foreclose the Mortgage accrues to Lender,

then, at the option of Lender, Lender may do one or more of the following:

(a) Collect interest on the entire unpaid principal balance hereof at a rate of interest two percentage points (2%) per annum above the Interest Rate from the date of such default until such default is cured by Borrower; and

(b) Declare the entire unpaid principal balance hereof, with interest accrued thereon and all other sums due from Borrower hereunder and under the Mortgage and the other Loan Documents to be immediately due and payable, without notice, notice being hereby expressly waived; and

(c) Pursue each and every other right, remedy, and power it may have under this Note, the Mortgage, and the Loan Documents and at law and in equity.

The rights, remedies, and powers of Lender, as provided in this Note, in the Mortgage and in all other Loan Documents, are cumulative and concurrent, and may be pursued singly, successively, or together against Borrower, the property described in the Mortgage, the guarantor(s) hereof, and any other security given at any time to secure the payment hereof, all at the sole discretion of Lender.

Borrower and each guarantor, surety and endorser hereof, if any, jointly and severally waive presentment for payment, demand, notice of nonpayment, notice of dishonor, protest of any dishonor, notice of protest and protest of this Note, and all other notices in connection with the delivery, acceptance, performance, default, or enforcement of the payment of this Note, and they agree that the liability of each of them shall be joint, several, and unconditional and without regard to the liability of any other party and shall not be in any manner affected by any indulgence, extension of time, renewal, waiver, or modification granted or consented to by the Lender hereof; and Borrower and each guarantor, surety and endorser hereof, if any, consent to every extension of time, renewal, waiver, or modification that may be granted by any holder hereof with respect to the payment or other provisions of this Note, and to the release of any collateral given to secure the payment hereof, or any part thereof, with or without substitution, and agrees that additional makers, guarantors, sureties, or endorsers may become parties hereto without notice to Borrower or such guarantors, sureties, or endorsers and without affecting the liability of any of them hereunder.

Lender shall not, by any act of omission or commission, be deemed to waive any of its rights, remedies, or powers hereunder or otherwise unless such waiver is in writing and signed by Lender and then only to the extent specifically set forth therein. A waiver of Lender's rights, remedies or powers with respect to one default shall not be construed as continuing or as a bar to or waiver of such rights, remedies, or powers with respect to a subsequent default.

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If this Note is placed in the hands of any attorney for collection by civil action or otherwise, or to enforce its collection or to protect any security for its payment, Borrower shall pay all costs of collection and litigation together with reasonable attorneys' fees, including costs and attorneys' fees related to any bankruptcy proceeding or creditors' meeting.

The validity and interpretation of this Note shall be governed by the laws of Illinois.

Provided there shall be no default under this Note, the Focus Note or any of the other Loan Documents, and no event shall have occurred which, but for the passage of time or the giving of notice or both, would constitute a default hereunder, under the Focus Note or under any of the Loan Documents, Borrower shall have the right to extend the Maturity Date of this Note and the Focus Note for two (2) consecutive six (6) month periods upon the following terms and conditions. As a condition precedent for each extension, Borrower must furnish Lender written notice of its election to exercise such extension at least sixty (60) days prior to the Maturity Date or the then current extension thereof. Along with such notice, Borrower shall (i) extend the Focus Note (ii) deliver to Lender a nonrefundable extension fee payable in the amount of \$67,312.50 and (iii) deliver to Lender a cash payment in the amount of the "cash shortfall." The cash shortfall shall be equal to Lender's good faith estimate of amount by which the projected costs and expenses of completing and operating the property secured by the Mortgage (the "Premises") for the period covered by the extension shall exceed the sum of the income from the Premises, plus the amount of funds remaining undisbursed in the Loan. Expenses shall include, without limitation, construction costs, leasing commissions, tenant concessions, tenant finish and allowances, interest hereon and on the Focus Note, real estate taxes, hazard insurance premiums, operating expenses, maintenance and repair costs, replacement costs and reasonable reserves, administrative and overhead charges and management and professional fees. Income shall be based upon actual leases in full force and effect, and not upon pro-forma rents. For purposes of determining whether there is a cash shortfall, Loan proceeds remaining to be disbursed shall not be reallocated among budget categories, unless such reallocation is provided under the Loan Agreement.

Any notice, demand or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given if and when personally delivered, or on the second business day after being deposited in United States registered or certified mail, postage prepaid, and addressed to a party at its address set forth below or to such other address the party to receive such notice may have designated to all other parties by notice in accordance herewith:

If to Lender:

Focus Real Estate Finance Co.  
200 West Madison Street  
Suite 3000  
Chicago, Illinois 60606  
Attention: Alan Miller, Esq.

and

National Canada Corporation  
20 North Clark Street  
Suite 3510  
Chicago, Illinois 60602  
Attention: William S. Best



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with copies to:

Schwartz & Freeman  
401 North Michigan Avenue  
Suite 3400  
Chicago, Illinois 60611  
Attention: Stephen E. Goodman, Esq.

and

Rudnick & Wolfe  
203 North LaSalle Street  
Chicago, Illinois 60601  
Attention: Charles L. Edwards, Esq.

If to Borrower and the Land Trustee:

c/o Alan H. Israel  
and Lorna Jacobsen  
Phoenix Executive Suite  
3340 Dundee Road  
Northbrook, Illinois 60062

with a copy to:

Miller, Shakman, Nathan & Hamilton  
208 South LaSalle Street  
Suite 1200  
Chicago, Illinois 60604  
Attention: Michael S. Kurtzon, Esq.

or to such other address the party to receive such notice may have theretofore furnished to all other parties by notice in accordance herewith. Except as otherwise specifically required herein, no notice of the exercise of any right or option granted to Lender herein is required to be given.

Notwithstanding anything to the contrary contained in this Note, in the event of a default by the Borrower hereunder, Lender's sole recourse and remedy shall be against the Premises and any other collateral or undertakings now or hereafter pledged or delivered to Lender to secure any sums due under this Note, or the other Loan Documents, and no deficiency or other money judgment shall be sought or obtained against the Borrower or its partners; except that Borrower and the general partner of Beneficiary shall be personally liable for any loss of Lender as a result of any of the following: (i) misapplication of condemnation or insurance proceeds attributable to the Premises in breach of the provisions of the Loan Documents (ii) any fraud, knowing misrepresentation or waste committed by Borrower (iii) misapplication of security deposits attributable to the Premises (iv) the collection of rent in advance in violation of the provisions of any of the Loan Documents (v) the failure of Borrower to apply revenues generated from the ownership and operation of the Premises toward the timely payment of any portion of the indebtedness evidenced by this Note (subject to usual and customary operating and maintenance expenditures) or (vi) the existence of or presence now (or at any time in the future when the Borrower owns the Premises) in the Premises of any Hazardous or Toxic Material (as such terms are defined in the Mortgage.)

This Note is executed by the Land Trustee not personally, but as trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such trustee (and Trustee warrants that it possesses full power and authority to execute and deliver this instrument), and is payable only out of

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the Premises and other Loan Documents securing the payment hereof by the enforcement of the provisions contained in the Mortgage and other Loan Documents and by enforcement against the Beneficiary. No personal liability shall be asserted or be enforceable against the Land Trustee because of or in respect of this Note or the making, issue or transfer thereof, all such liability, if any, being expressly waived by the Lender, but nothing herein contained shall modify or discharge the personal liability expressly assumed by the Beneficiary, any co-maker or guarantor hereof, and each original and successive Lender of this Note accepts the same upon the express condition that no duty shall rest upon the Land Trustee to sequester the rents, issues and profits arising from the Premises and other Loan Documents, or the proceeds arising from the sale or other disposition thereof, but that in case of default in the payment of this Note or of any installment hereof, the sole remedy of the Lender hereof against the Land Trustee shall be by foreclosure of the Mortgage and other Loan Documents given to secure the indebtedness evidenced by this Note in accordance with the terms and provisions in the Mortgage and other Loan Documents set forth, or any other security given for the indebtedness evidenced hereby.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Note at Chicago, Illinois, pursuant to proper authority duly granted, as of the date and year first above written.

LASALLE NATIONAL BANK, not personally but solely as Trustee under Trust Agreement dated January 9, 1986, and known as trust # 110740

Attest:

By: \_\_\_\_\_  
(Assistant) Vice President

\_\_\_\_\_  
(Assistant) Secretary

DUNDEE-LANDWEHR LIMITED PARTNERSHIP, an Illinois limited partnership

By: \_\_\_\_\_  
Alan H. Israel, general partner

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EXHIBIT "B"

## LEGAL DESCRIPTION OF PREMISES

### PARCEL A:

THE EAST 3 1/2 ACRES OF THE SOUTH 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH WEST 1/4 OF SECTION 5, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, (EXCEPTING FROM PARCEL A THAT PART DESCRIBED AS FOLLOWS:

THAT PART OF THE SOUTH 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH WEST 1/4 OF SECTION 5, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, AS FOLLOWS: BEGINNING AT A POINT IN THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH WEST 1/4 OF SECTION 5 AFORESAID, SAID POINT BEING THE SOUTH EAST CORNER OF LOT 1 in BLOCK 4 IN FIRST RESUBDIVISION OF SKY HARBOR INDUSTRIAL PARK UNIT NUMBER 1, IN THE SOUTH 1/2 OF SECTION 5 AFORESAID; THENCE SOUTHEASTERLY ALONG AN ARC OF A CIRCLE CONVEX EASTERLY AND HAVING A RADIUS OF 400.00 FEET FOR A DISTANCE OF 17.12 FEET TO A POINT OF REVERSE CURVE; THENCE CONTINUING SOUTHEASTERLY ALONG ANOTHER ARC OF A CIRCLE CONVEX SOUTHWESTERLY AND HAVING A RADIUS OF 480 FEET FOR A DISTANCE OF 87.45 FEET TO ANOTHER POINT OF REVERSE CURVE; THENCE CONTINUING SOUTHEASTERLY ALONG ANOTHER ARC OF A CIRCLE CONVEX NORTHEASTERLY AND HAVING A RADIUS OF 400 FEET FOR A DISTANCE OF 75.50 FEET TO A POINT IN THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH WEST 1/4 OF SECTION 5 AFORESAID, 172.16 FEET SOUTH OF THE NORTH EAST CORNER THEREOF; THENCE NORTH ALONG SAID EAST LINE 172.16 FEET TO THE NORTH EAST CORNER THEREOF; THENCE WESTERLY ALONG THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH WEST 1/4 OF SECTION 5 AFORESAID, 53.84 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS), AND (EXCEPTING THE SOUTH 50 FEET THEREOF TAKEN FOR DUNDEE ROAD), AND ALSO (EXCEPTING FROM PARCEL A THAT PART DESCRIBED AS FOLLOWS:

THAT PART OF THE SOUTH WEST 1/4 OF SECTION 5, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT IN THE EAST LINE OF THE SOUTH WEST 1/4 SECTION 5 AFORESAID, 50 FEET NORTH OF THE SOUTH EAST CORNER THEREOF; THENCE NORTH ALONG SAID EAST LINE 268.34 FEET TO A POINT; THENCE SOUTHWESTERLY ALONG AN ARC OF A CIRCLE CONVEX SOUTHEASTERLY AND HAVING A RADIUS OF 400 FEET FOR A DISTANCE OF 48.56 FEET TO A POINT OF REVERSE CURVE; THENCE CONTINUING SOUTHERLY ALONG ANOTHER ARC OF A CIRCLE CONVEX WESTERLY AND HAVING A RADIUS OF 480 FEET FOR A DISTANCE OF 161.20 FEET TO A POINT OF TANGENCY WITH A LINE 40 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE SOUTH WEST 1/4 SECTION 5 AFORESAID; THENCE SOUTH ALONG SAID PARALLEL LINE 63.89 FEET TO A LINE 50 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF THE SOUTH WEST 1/4 OF SECTION 5, AFORESAID; THENCE EAST ALONG SAID PARALLEL LINE 40 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS)

AND ALSO EXCEPTING FROM SAID PARCEL A THAT PART CONVEYED TO THE PEOPLE OF THE STATE OF ILLINOIS, DEPARTMENT OF TRANSPORTATION BY TRUSTEE'S DEED RECORDED JULY 1, 1987 AS DOCUMENT 87360094, DESCRIBED AS FOLLOWS:

THAT PART OF THE SOUTH WEST 1/4 OF SECTION 5, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF DUNDEE ROAD AND THE WESTERLY RIGHT-OF-WAY LINE OF LANDWEHR ROAD; THENCE NORTH 0 DEGREES 00 MINUTES 00 SECONDS EAST, 40.00 FEET ALONG THE WESTERLY RIGHT-OF-WAY LINE OF LANDWEHR ROAD, PARALLEL WITH THE EAST LINE OF THE SOUTH WEST 1/4 OF SAID SECTION 5; THENCE SOUTH 31 DEGREES 49 MINUTES 28 SECONDS WEST, 47.41 FEET TO A POINT ON

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## EXHIBIT "B"

### LEGAL DESCRIPTION OF PREMISES (Cont.)

THE NORTH RIGHT-OF-WAY LINE OF DUNDEE ROAD; THENCE NORTH 89 DEGREES 21 MINUTES 30 SECONDS EAST, 25.00 FEET ALONG THE NORTH RIGHT-OF-WAY LINE OF DUNDEE ROAD TO THE POINT OF BEGINNING

#### PARCEL B:

THAT PART OF THE SOUTH 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH EAST 1/4 OF SECTION 5, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN AS FOLLOWS: BEGINNING AT A POINT IN THE WEST LINE OF THE SOUTH 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH EAST 1/4 OF SECTION 5 AFORESAID 172.16 FEET SOUTH OF THE NORTH WEST CORNER THEREOF; THENCE SOUTH ALONG SAID WEST LINE 170.24 FEET TO A POINT 318.34 FEET NORTH OF THE SOUTH WEST CORNER OF THE SOUTH EAST 1/4 OF SECTION 5 AFORESAID; THENCE NORTHERLY ALONG AN ARC OF A CIRCLE CONVEX EASTERLY AND HAVING A RADIUS OF 400.00 FEET FOR A DISTANCE OF 171.55 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS

#### PARCEL C:

THE WEST 130 FEET OF THE EAST 360.65 FEET (EXCEPT THE SOUTH 50 FEET THEREOF) OF THE SOUTH 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH WEST 1/4 OF SECTION 5, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

#### PARCEL D:

THE WEST 65 FEET OF THE EAST 425.65 FEET OF THE SOUTH 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH WEST 1/4 OF SECTION 5, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPTING THE SOUTH 50 FEET THEREOF), IN COOK COUNTY, ILLINOIS.

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