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## MORTGAGE, SECURITY AGREEMENT, AND ASSIGNMENT

THIS MORTGAGE, SECURITY AGREEMENT, AND ASSIGNMENT is granted this 6th day of February, 1987 to

Shawmut Bank, N.A. (hereinafter, the "Mortgagee"), a national banking association with its principal office at One Federal Street, Boston, Massachusetts

by

Nature Food Centres, Inc.\* (hereinafter, the "Mortgagor"), a corporation organized under the laws of the Commonwealth of Massachusetts with a principal office at One Nature's Way, Wilmington, Massachusetts, \*successor by merger to NFC Realty Corporation

in consideration of the mutual covenants contained herein and benefits derived herefrom, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Mortgagor agrees to the following terms and conditions:

### ARTICLE 1 - GRANT OF MORTGAGE INTEREST

1-1. The Mortgagor, for consideration paid, does hereby Mortgage, Grant, Convey, Warrant, and Alien to the Mortgagee, its successors and assigns, to secure the Mortgagor's prompt, punctual, and faithful payment and performance of all and each of the Mortgagor's present and future Liabilities (as defined herein) to the Mortgagee, the Collateral (defined below). The Mortgagor intends to convey and hereby does convey to the Mortgagee (to be included within the Collateral), the premises conveyed to the Mortgagor by deed of NFC, Inc. dated December 29, 1977 ~~recorded with the Office of the Registrar of Titles of Cook County, Document number~~ and recorded in the Recorder of Deeds of Cook County, Illinois as Document number 24616762.

1-2. TO HAVE AND TO HOLD the Mortgaged Premises with said appurtenances, apparatus and fixtures, and all rights and privileges appertaining thereto, unto said Mortgagee forever, for the uses herein set forth, free from all rights and benefits under the Homestead Exemption Laws of the State of Illinois, which said rights and benefits the said Mortgagor does hereby release and waive.

### ARTICLE 2 - GRANT OF SECURITY INTEREST AND ASSIGNMENT

2-1. Security Interest. To secure the Mortgagor's prompt, punctual, and faithful payment and performance of all and each of the present and future Liabilities to the Mortgagee, including, without limitation, those arising under the Note, the Mortgagor hereby grants to the Mortgagee a continuing security interest in and to, and assigns to the Mortgagee, the Collateral.

2-2. Financing Statement. This Agreement is intended to take effect as a

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security agreement and is to be filed with the above described Registry of Deeds or Land Registration Office in lieu of a financing statement pursuant to Illinois Revised Statutes Chapter 26 (hereinafter, the "UCC") Section 9-402.

## ARTICLE 3 - CERTAIN DEFINITIONS

As used herein, the following terms shall have the following meanings:

3-1. Liabilities. "Liabilities" includes, without limitation, any and all liabilities, debts, and obligations now or hereafter at any time owing by the Mortgagor to the Mortgagee, each of every kind, nature and description. "Liabilities" also includes, without limitation, all interest and other amounts which may be charged to the Mortgagor and/or which may be due from the Mortgagor to the Mortgagee from time to time and all costs and expenses now or hereafter incurred or paid by the Mortgagee in respect of this and any other agreement between the Mortgagor and the Mortgagee or instrument furnished by the Mortgagor to the Mortgagee (including, without limitation, Costs of Collection, attorneys' reasonable fees, and all court and litigation costs and expenses).

3-2. Costs of Collection. "Costs of Collection" includes, without limitation, all attorneys' reasonable fees, out of pocket expenses incurred by the Mortgagee's attorneys, and all costs incurred by the Mortgagee, which costs and expenses are directly or indirectly related to or in respect of the Mortgagee's efforts to collect or enforce any of the Liabilities and/or to exercise or enforce any of the Mortgagee's rights, remedies, or powers against or in respect of the Mortgagor and/or any other guarantor or person liable in respect of the Liabilities (whether or not suit is instituted in connection with such efforts).

3-3. Collateral. "Collateral" shall include all and each of the following, whether singly or collectively, whether real property, personal property, or a combination thereof, whether now owned or now due or now existing, or in which the Mortgagor has an interest, or hereafter, at any time in the future, acquired, arising, or to become due, or in which the Mortgagor obtains an interest, and all proceeds, products, substitutions and accessions of or to any of the following:

(a) the land together with all buildings and improvements, tenements, easements, appurtenances, prescriptions, and hereditaments thereon, whether now existing or hereafter constructed or located thereon, situated in Chicago, Cook County, Illinois, as more particularly described on Exhibit A annexed hereto, and known and numbered 12 West Washington Street (hereinafter, the "Mortgaged Premises");

(b) all furnaces, ranges, heaters, plumbing goods, gas and electric fixtures, screens, screen doors, mantels, shades, storm doors and windows, awnings, oil burners and tanks or other equipment, gas or electric refrigerators and refrigerating systems, ventilating and air conditioning apparatus and equipment, door bell and alarm systems, sprinkler and fire extinguishing systems, portable or sectional buildings, and all other fixtures of whatever kind or nature owned by the Mortgagor, now or in the future contained in or on the Mortgaged Premises, and any and all similar

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fixtures hereinafter installed in the Mortgaged Premises in any manner which renders such articles usable in connection therewith;

(c) together with any and all awards heretofore and hereafter made to the present and all subsequent owners of the Mortgaged Premises by any governmental or other lawful authorities for taking or damaging by eminent domain the whole or any part of the Mortgaged Premises or any easement therein, including any awards for any changes of grade of streets, which said awards are hereby assigned to the Mortgagee, who is hereby authorized to collect and receive the proceeds of any such awards from such authorities and to give proper receipts and acquittances therefore, and to apply the same toward the payment of the amount owing on account of this mortgage and the liabilities, notwithstanding the fact that the amount owing thereon may not then be due and payable; and the Mortgagor hereby covenants and agrees, upon request, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning the aforesaid awards to the Mortgagee, free, clear and discharged of any and all encumbrances of any kind or nature whatsoever.

(d) all easements, covenants, agreements and rights which are appurtenant to or benefit the Mortgaged Premises;

(e) all machinery, equipment, furniture, inventory, building supplies, and appliances, owned by the Mortgagor, used or useful in the construction, operation, maintenance, or occupation of the Mortgaged Premises or any portion or part thereof;

(f) all leases, tenancies, and occupancies, whether written or not, regarding all or any portion of the foregoing (a through e) (hereinafter, the "Leases"), all guarantees and security relating thereto, together with all income and profit arising therefrom or from any of the foregoing Subparagraphs (a) through (e), and all payments due or to become due thereunder (hereinafter, the "Rental Payments"), including, without limitation, all rent, additional rent, damages, insurance payments, taxes, insurance proceeds, condemnation awards, or any payments with respect to options contained therein (including any purchase option);

(g) all funds held by the Mortgagee as tax or insurance escrow payments;

(h) all proceeds received from the sale, exchange, collection or other disposition of any of the foregoing Subparagraphs (a) through (g); all insurance proceeds relating to all or any portion of the foregoing Subparagraphs (a) through (g); and all awards, damages, proceeds, or refunds from any state, local, federal or other takings of, and all municipal tax abatements relating to, all or any portion of the foregoing Subparagraphs (a) through (g); and

(i) All rights, remedies, representations, warranties, and privileges pertaining to any of the foregoing Subparagraphs (a) through (h).

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## ARTICLE 4 - REPRESENTATIONS, WARRANTIES AND COVENANTS

4-1. Insurance. The Mortgagor hereby covenants and agrees to maintain public liability insurance, flood hazard insurance, all risk insurance, builder's risk insurance, and such other insurance against such casualties or contingencies as may be required by the Mortgagee in sums and in companies satisfactory to the Mortgagee. All policies shall contain a provision requiring at least twenty (20) days advance notice to the Mortgagee before any cancellation or modification. All insurance on the Collateral shall be for the benefit of and deposited with the Mortgagee, shall be first payable to the Mortgagee, and shall include such endorsement in favor of the Mortgagee as the Mortgagee may specify.

4-2. Insurance, Eminent Domain. The Mortgagor shall advise the Mortgagee of each claim made by the Mortgagor under any policy of insurance or any proposed taking by any State, Federal, or Local Authority, which covers all or any portion of the Collateral and, at the Mortgagee's option in each instance, will permit the Mortgagee, to the exclusion of the Mortgagor, to conduct the adjustment of each such claim. The Mortgagor hereby appoints the Mortgagee as the Mortgagor's attorney in fact to obtain, adjust, or settle any insurance claim or taking or cancel any insurance described in this section and to endorse in favor of the Mortgagee any and all drafts and other instruments with respect to such insurance or taking. The within appointment, being coupled with an interest, is irrevocable until this Agreement is terminated by a written instrument executed by a duly authorized officer of the Mortgagee. The Mortgagee shall not be liable for any loss sustained on account of any exercise pursuant to said power unless such loss is caused by the willful misconduct and actual bad faith of the Mortgagee. The Mortgagee may, at its option, make any proceeds available to the Mortgagor to repair or reconstruct the Collateral (subject to such disbursement procedures as the Mortgagor may establish) or apply any proceeds of such insurance against the Liabilities, whether or not such have matured, in accordance with the terms hereof.

4-3. Statutory Compliance. The Mortgagor shall comply with, shall not use any of the Collateral in violation of, and shall cause the Collateral to be in compliance with, each and every statute, regulation, ordinance, decision, directive, order, by-law, or rule of any federal, state, municipal, and other governmental authority which has or claims jurisdiction over the Mortgagor or any of the Collateral.

4-4. Title to Collateral. (a) The Mortgagor is, and shall hereafter remain, the owner of the Collateral free and clear of all voluntary or involuntary liens, encumbrances, attachments, security interests, purchase money security interests, assignments, mortgages, charges or other liens or encumbrances of any nature whatsoever, with the exceptions of (i) the mortgage and security interest created herein, and (ii) liens for real estate taxes not yet due and payable.

(b) The Mortgagor, for itself, its successors, covenants with the Mortgagee and successors and assigns, that the Mortgagor has good right to sell and convey the Mortgaged Premises; and that it will, and its successors shall, warrant and defend the same to the Mortgagee and its successors and assigns, in case a sale shall be made hereunder, will, upon the request, execute, acknowledge and deliver to the purchaser or purchasers a deed or

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deeds of release confirming such sale; and that the Mortgagee and its successors and assigns are appointed and constituted the attorney or attorneys irrevocable of the said Mortgagor to execute and deliver to said purchaser a full transfer of all policies of insurance on the buildings upon and land covered by the mortgage at the times of the sale.

(c) The Mortgagor warrants that as of the date hereof the Mortgaged Premises, Collateral, and use thereof, each comply with all applicable statutes, ordinances, regulations and orders of every federal, state, municipal, and other governmental authority having or claiming jurisdiction over the Mortgagor or the Collateral, including without limitation, applicable zoning and environmental ordinances and building codes and regulations. The Mortgagee shall not convey, transfer, assign, or otherwise dispose of the legal or beneficial interest in the Mortgaged Premises, or any part thereof, or convey any interest in the Mortgaged Premises, and no beneficial interest in the Mortgagor shall be transferred without the written consent of the Mortgagee thereto.

4-5. Condition of Collateral. The Collateral is, and shall hereafter remain, in good repair, well maintained and in good working order. The Mortgagor shall not cause or permit to be suffered any waste, destruction or loss (whether or not such loss is insured against) to the Collateral or any part thereof.

4-6. Taxes and other Costs. To the extent payment is not provided for in Section 4-8 herein, the Mortgagor shall pay when due all real and personal property taxes, assessments, charges and other taxes assessed against it, and all insurance premiums relative to the Collateral. The Mortgagor agrees that the Mortgagee may, at its option, and from time to time, pay any taxes or insurance premiums, the payment of which is then due, discharge any liens or encumbrances on any of the Collateral, or take any other action that the Mortgagee may deem proper to repair, insure, maintain, or preserve any of the Collateral or the Mortgagee's rights therein. The Mortgagor will pay to the Mortgagee on demand all amounts so paid or incurred by the Mortgagee.

4-7. Property of Third Parties. The Mortgagor shall not lease any item of property owned by a third party for use in the construction, maintenance, or occupation of the Mortgaged Premises or any portion or unit thereof; the Mortgagor shall not suffer or permit any item of property owned by a third party to be affixed, attached, or installed on, upon or within, or be located at, the Mortgaged Premises, or any portion or unit thereof, which may be subject to any security interest, lien, encumbrance or charge which is prior or superior to the interest granted herein.

4-8. Tax and Insurance Escrow. In addition to other payments herein required, the Mortgagor shall, at the Mortgagee's option, pay to the Mortgagee monthly on the first of each month, or such other day of the month as may be designated by the Mortgagee during the term hereof, and for so long as the liabilities secured by this Agreement shall remain unpaid, an amount equal to one-twelfth (1/12th) of the general and special taxes and assessments which the Mortgagee estimates will become payable on account of the Mortgaged Premises for the year next succeeding any period for which such taxes and assessments have been paid or escrowed hereunder, and/or one-twelfth (1/12th) of the insurance premiums which the Mortgagee estimates will become payable on

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account of the Collateral for the year next succeeding any period for which such premiums have been paid or escrowed hereunder, sufficient to enable Mortgagee to accumulate at least thirty (30) days prior to the dates upon which such municipal taxes and assessments or insurance premiums are payable the amounts then due and payable. Further, the Mortgagor shall pay to the Mortgagee on demand the amount of any deficiency of the funds so collected when the actual amount of such taxes and assessments or insurance premiums become known. The Mortgagee shall maintain such funds in a non-interest bearing account which may be commingled with other funds of the Mortgagee. The Mortgagee shall apply said funds to the payment of municipal taxes and assessments or insurance premiums, as applicable, to the extent such amounts are determined by the Mortgagee to be due and payable. In the event the Mortgagee collects such tax or insurance payments hereunder, the Mortgagor shall deliver to the Mortgagee the bills representing any such amounts within five (5) days of the receipt thereof by the Mortgagor. Notwithstanding the provisions of this Section 4-8, upon an occurrence of an event which is, or, solely with the passage of time, would be, an Event of Default hereunder, the Mortgagee shall not be required to apply such funds as provided above, and may set off such funds against the Liabilities and apply any such funds towards the Liabilities in accordance with the terms hereof.

4-9. Future Action Additional Information. The Mortgagor shall do all such things, furnish all such financial and other information, and execute all such documents from time to time hereafter as the Mortgagee may request in order to monitor the financial condition of the Mortgagor, carry into effect the provisions and intent of this Agreement and to protect, perfect, and maintain the Mortgagee's interest in and to the Collateral.

4-10. Hazardous Waste. (a) The Mortgagor represents that the Mortgagor has no knowledge of or has not received notification from any federal, state, or other governmental authority of: (i) any potential, known, or threat of release of any hazardous material or oil on or from the Collateral, or (ii) the incurrence of any expense or loss by such governmental authority, or by any other person, in connection with the assessment, containment, or removal of any release, or threat of release, of any hazardous material or oil from the Collateral.

(b) The Mortgagor shall:

(i) not store (except in compliance with all laws, ordinances, and regulations pertaining thereto), or dispose of any hazardous material or oil on the Collateral;

(ii) take all such action, including, without limitation, the conducting of engineering tests (at the sole expense of the Mortgagor) to confirm that no hazardous material or oil is or ever was stored on the Collateral; and

(iii) provide the Mortgagee with written notice: (x) upon the Mortgagor's obtaining knowledge of any potential or known release, or threat of release, of any hazardous material or oil at or from the Collateral; (y) upon the Mortgagor's receipt of any notice to such effect from any federal, state, or other governmental authority; and (z) upon the Mortgagor's obtaining knowledge of any incurrence of any expense or

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loss by such governmental authority in connection with the assessment, containment, or removal of any hazardous material or oil for which expense or loss the Mortgagor may be liable or for which expense a lien may be imposed on the Collateral.

4-11. Compliance with Leases. The Mortgagor is not in default under any terms and conditions of any Lease and shall, during the term of this Agreement, perform all of the obligations of the Mortgagor under any such Lease within the period that such performance is required.

4-12. Collection of Rents. The Mortgagor agrees not collect or accept the payment of any Rental Payments, or other income or profit from, or on account of, any Lease or the use or occupation of the Collateral, in advance of the time when such payment becomes due unless such amount is delivered to the Mortgagee to be applied toward the Liabilities in accordance with Section 8-3 hereof.

4-13. Modification of Lease. The Mortgagor will not modify or consent to the modification of any provision of, or cancel, terminate or accept the early cancellation or termination, of any Lease.

4-14. Leases. The Mortgagor shall not enter into any Lease without the prior written consent of the Mortgagee. Each such Lease shall be in form and substance satisfactory to the Mortgagee and shall include a provision confirming that the Lease is subordinate to the lien of this Agreement and consenting to the assignment provided for herein of the Lease to the Mortgagee. The Mortgagor shall furnish the Mortgagee, upon the request of the Mortgagee, with copies of each and every Lease and any other information relative to each such Lease and the tenant thereunder. The Mortgagor will take all action as may be requested by the Mortgagee in furtherance of the rights of the Mortgagee hereunder, including, without limitation, obtaining estoppel certificates and agreements (in form satisfactory to the Mortgagee) from each tenant subordinating the Lease to the lien of this Agreement and consenting to the assignment of the Lease provided for herein, and taking all appropriate action to lease any portions of the Mortgaged Premises not occupied by the Mortgagor.

4-15. Superior Mortgage. The Mortgagor does hereby covenant and agree to faithfully and fully comply with and abide by each and every term, covenant, and condition of any superior mortgage or mortgages on the Mortgaged Premises. The Mortgagee is hereby expressly authorized, permitted, and directed, in its sole discretion, and at its option, to advance all sums necessary to cure any default under any such mortgage. The Mortgagor further covenants and agrees not to modify, change, alter, or extend any of the terms or conditions of any such prior mortgage, and not to request, accept, or allow the disbursement hereafter of any advances which are to be secured by any such mortgage.

## ARTICLE 5 - MORTGAGOR'S USE OF COLLATERAL

Unless and until the occurrence of any event which is, or solely with the passage of time would be, an Event of Default hereunder, the Mortgagor shall be authorized to occupy, operate, manage, hold, or otherwise use the Collateral in the ordinary and reasonable course of the Mortgagor's business and collect, when due, the Rental Payments, subject, however, to the terms and provisions hereof.

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## ARTICLE 6 - EVENTS OF DEFAULT

Upon the occurrence of any one or more of the following (hereinafter, the "Events of Default"), any and all Liabilities of the Mortgagor to the Mortgagee shall become immediately due and payable, without notice or demand, at the option of the Mortgagee. The occurrence of any such Event of Default shall also constitute, without notice or demand, a default under all other agreements between the Mortgagee and the Mortgagor or instruments and papers given the Mortgagee by the Mortgagor, whether now existing or hereafter arising.

6-1. The failure by the Mortgagor to pay when due, (or upon demand, if payable on demand), any amount then owing by the Mortgagor to the Mortgagee.

6-2. The failure by the Mortgagor to promptly, punctually, and faithfully perform, discharge, or comply with any Liability.

6-3. The determination by the Mortgagee that any financial information, representation, or warranty now or hereafter provided or made by the Mortgagor to the Mortgagee, whether herein, or in any other document, instrument, agreement, or paper, was not true or accurate when given.

6-4. The occurrence of any event such that any indebtedness of the Mortgagor for borrowed money from any lender other than the Mortgagee could be accelerated, notwithstanding that such acceleration has not taken place.

6-5. The occurrence of any event of default under any agreement between the Mortgagee and the Mortgagor, or under any instrument or paper given the Mortgagee by the Mortgagor, whether such agreement, instrument, or paper now exists or hereafter arises (notwithstanding that the Mortgagee may not have exercised its rights upon default under any such other agreement, instrument or paper).

6-6. Any act by, against, or relating to the Mortgagor, or its property or assets, which act constitutes the application for, consent to, or sufferance of the appointment of a receiver, trustee, or other person (pursuant to court action or otherwise) over all, or any part of, the Mortgagor's property; the granting of any trust mortgage or execution of an assignment for the benefit of the creditors of the Mortgagor, or the occurrence of any other voluntary or involuntary liquidation or extension of debt agreement for the Mortgagor; the admission by the Mortgagor of its inability to pay its debts as they mature; adjudication of insolvency relative to the Mortgagor; the entry of an order for relief or similar order with respect to the Mortgagor in any proceeding pursuant to the Bankruptcy Reform Act of 1978 or any other federal statute dealing with bankruptcy (hereinafter, generally the "Bankruptcy Code"); the filing of any complaint, application, or petition by or against the Mortgagor initiating any matter in which the Mortgagor is or may be granted any relief from its debts pursuant to the Bankruptcy Code or pursuant to any other insolvency statute or procedure; the calling or sufferance of a meeting of creditors of the Mortgagor; the meeting by the Mortgagor with a formal or informal creditors' committee; the offering by or entering into by the Mortgagor of any composition, extension or other arrangement seeking relief or extension of its debts; or the initiation of any other judicial or non-judicial proceeding or agreement by, against, or including the Mortgagor

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which seeks or intends to accomplish a reorganization or arrangement with creditors.

6-7. The entry of any judgment against the Mortgagor, which judgment is not satisfied or appealed from (with execution or similar process stayed) within fifteen (15) days of its entry.

6-8. The service of any process upon the Mortgagee seeking to attach by mesne or trustee process any funds of the Mortgagor on deposit with the Mortgagee.

6-9. The death, legal incapacity, termination of existence, dissolution, winding up, or liquidation of the Mortgagor.

6-10. The sale, transfer, assignment, or other disposition of any of the capital stock or any partnership or beneficial interest of the Mortgagor, or the sale, transfer, assignment, pledge, mortgage or other disposition or grant of any interest in all or any portion of the Collateral.

6-11. The occurrence of any of the events described in this Article with respect to any partner or beneficiary of the Mortgagor or any guarantor, endorser, or surety to the Mortgagee of the Liabilities as if such person were the "Mortgagor" described therein.

## ARTICLE 7 - RIGHTS AND REMEDIES UPON DEFAULT

7-1. Rights and Remedies Upon Default. Upon the occurrence of any Event of Default, or at any time thereafter, the Mortgagee shall have all the rights of a mortgagee and a secured party under the laws of the State of Illinois, in addition to which the Mortgagee shall have all of the following rights and remedies:

(a) with or without taking possession, to collect any proceeds of the Collateral;

(b) to take possession of all or a portion of the Collateral;

(c) with or without taking possession of the Collateral, to sell, lease, or otherwise dispose of any or all of the Collateral in its then condition or following such preparation or processing as the Mortgagee deems advisable;

(d) with or without taking possession of the Collateral, and without assuming the obligations of the Mortgagor thereunder, to exercise the rights of the Mortgagor under, to use, or to benefit from any of the easements, covenants, agreements and rights referred to in Section 3-3(c), hereof or any Leases;

(e) with or without taking possession of the Collateral and with or without bringing any action or proceeding, either directly, by agent, or by the appointment of a receiver, manage, lease, sublease, or operate the Collateral on such terms as the Mortgagee, in its sole discretion, deems proper or appropriate;

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(f) to apply all or any portion of the Collateral, or the proceeds thereof, towards (but not necessarily in complete satisfaction of) the Liabilities;

(g) to exercise the Statutory Power of Sale.

7-2. Sale or Other Disposition of Collateral. Any sale or other disposition of the Collateral may be at public or private sale, to the extent such private sale is authorized under the laws of the State of Illinois, upon such terms and in such manner as the Mortgagee deems advisable. The Mortgagee may conduct any such sale or other disposition of the Collateral upon the Mortgaged Premises, in which event the Mortgagee shall not be liable for any rent or charge for such use of the Mortgaged Premises. The Mortgagee may purchase the Collateral, or any portion of it, at any sale held under this Article. With respect to any Collateral to be sold pursuant to the UCC, the Mortgagee shall give the Mortgagor at least seven (7) days written notice of the date, time, and place of any proposed public sale, or such additional notice as may be required under the laws of the State of Illinois, and of the date after which any private sale or other disposition may be made. The Mortgagee may sell any of the Collateral as part of the Mortgaged Premises, or any portion or unit thereof, at the foreclosure sale or sales conducted pursuant hereto. The Mortgagor waives any right to require the marshalling of any of its assets in connection with any disposition conducted pursuant hereto. In the event all or part of the Collateral is included at any foreclosure sale conducted pursuant hereto, a single total price for the Collateral, or such part thereof as is sold, may be accepted by the Mortgagee with no obligation to distinguish between the application of such proceeds amongst the property comprising the Collateral. If all or any portion of the Collateral is sold by the Mortgagee, the Mortgagor shall pay to the Mortgagee on demand an amount equal to one (1%) percent of the purchase price thereof in addition to the Liabilities and all Costs of Collection provided for herein.

7-3. Collection of Proceeds of Collateral. In connection with the exercise by the Mortgagee of the rights and remedies provided herein:

(a) The Mortgagee may notify any of the Mortgagor's debtors relating to proceeds of the Collateral, either in the name of the Mortgagee or the Mortgagor, to make payment directly to the Mortgagee or such other address as may be specified by the Mortgagee, may advise any person of the Mortgagee's interest in and to the Collateral, and may collect directly from the obligors thereon all amounts due on account of the Collateral;

(b) At the Mortgagee's request, the Mortgagor will provide written notification to any or all of said debtors concerning the Mortgagee's interest in the Collateral and will request that such debtors forward payment thereof directly to the Mortgagee;

(c) The Mortgagor shall hold any proceeds and collections of any of the Collateral in trust for Mortgagee and shall not commingle such proceeds or collections with any other funds of the Mortgagor; and

(d) The Mortgagor shall deliver all such proceeds to the Mortgagee immediately upon the receipt thereof by the Mortgagee in the identical

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form received, but duly endorsed or assigned on behalf of the Mortgagor to the Mortgagee.

7-4. Use and Occupation of Collateral. In connection with the Mortgagee's exercise of the Mortgagee's rights under this Article, the Mortgagee may enter upon, occupy, and use all or any part of the Collateral and may exclude the Mortgagor from the Mortgaged Premises or portion thereof as may have been so entered upon, occupied, or used. The Mortgagee shall not be required to remove any of the Collateral from the Mortgaged Premises upon the Mortgagee's taking possession thereof, and may render any Collateral unusable to the Mortgagor. In the event the Mortgagee manages the Mortgaged Premises, the Mortgagor shall pay to the Mortgagee on demand a reasonable fee for the management thereof in addition to the Liabilities provided for herein. Further, the Mortgagee may make such alterations, renovations, repairs, and replacements to the Collateral, as the Mortgagee, in its sole discretion, deems proper or appropriate.

7-5. Partial Sales. The Mortgagor agrees that, in case the Mortgagee in the exercise of the Power of Sale contained herein or in the exercise of any other rights hereunder given, elects to sell in parcels, said sales may be held from time to time and that the power shall not be exhausted until all of the Collateral not previously released shall have been sold, notwithstanding that the proceeds of such sales exceed, or may exceed, the Liabilities then secured thereby.

7-6. Assembly of Collateral. Upon the occurrence of any Event of Default, the Mortgagee may require the Mortgagor to assemble any personal property included in the Collateral and make it available to the Mortgagee, at the Mortgagor's sole risk and expense, at a place or places which are reasonably convenient to both the Mortgagee and Mortgagor.

7-7. Power of Attorney. Upon the occurrence of any Event of Default, the Mortgagor hereby irrevocably constitutes and appoints the Mortgagee as the Mortgagor's true and lawful attorney, to take any action with respect to the Collateral to preserve, protect, or realize upon the Mortgagee's interest therein, each at the sole risk, cost and expense of the Mortgagor, but for the sole benefit of the Mortgagee. The rights and powers granted the Mortgagee by the within appointment include, but are not limited to, the right and power to: (i) prosecute, defend, compromise, settle, or release any action relating to the Collateral; (ii) endorse the name of the Mortgagor in favor of the Mortgagee upon any and all checks or other items constituting remittances or proceeds of the Collateral; (iii) sign and endorse the name of the Mortgagor on, and to receive as secured party, any of the Collateral; (iv) sign and file or record on behalf of the Mortgagor any financing or other statement in order to perfect or protect the Mortgagee's security interest; (v) enter into leases or subleases relative to all or a portion of the Mortgaged Premises; or (vi) manage, operate, maintain, or repair the Mortgaged Premises. The Mortgagee shall not be obligated to perform any of such acts or to exercise any of such powers, but if the Mortgagee elects so to perform or exercise, the Mortgagee shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to Mortgagor except for the Mortgagee's willful misconduct and actual bad faith. All powers conferred upon the Mortgagee by this Agreement, being coupled with an interest, shall be



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irrevocable until terminated by a written instrument executed by a duly authorized officer of the Mortgagee.

7-8. Foreclosure. (a) Upon the occurrence of any Event of Default, the Mortgagee may immediately foreclose this Mortgage as provided by the laws of the State of Illinois, and that upon the commencement of any foreclosure proceeding hereunder, the court in which said bill is filed may, at any time, either before or after sale, and without notice to the Mortgagor, or any party claiming under him, and without regard to the then value of the premises, or whether the same shall then be occupied by the owner of the equity of redemption as a homestead, and without regard to the solvency or insolvency of the Mortgagor appoint a receiver with power to take possession and to manage and rent and to collect the rents, issues and profits of the Mortgaged Premises during the pendency of such foreclosure suit, and such rents, issues and profits, when collected, may be applied before as well as after the master's sale, towards the payment of the indebtedness, costs, taxes, insurance or other items necessary for the protection and preservation of the property, including the expenses of such receivership. In any suit to foreclose a lien thereof, there shall be allowed and included as additional indebtedness in the decree for sale, and upon foreclosure and sale of the Mortgaged Premises there shall be first paid out of the proceeds of such sale, a reasonable sum for attorneys' or solicitors' fees, and also all expenses of advertising, selling and conveying the Mortgaged Premises, and all moneys advanced for insurance, taxes or other liens or assessments, outlays for documentary evidence, stenographers' charges, all court costs, master's fees, and cost of procuring or completing an abstract of title or title insurance policy or Torrens Certificate showing the whole title to said premises, and including the foreclosure decree and the Master's Certificate of Sale, all of which expenditures and expenses above set forth shall become additional indebtedness secured hereby when paid or incurred by the Mortgagee or the holders of the Liabilities in connection with (i) any proceeding, including probate and bankruptcy proceedings, to which either of them shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured; or, (ii) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right for foreclose, whether or not actually commenced; or (iii) preparations for the defense of any threatened suit or proceeding which might affect the Mortgaged Premises or the security thereof, whether or not actually commenced; then to pay the principal indebtedness whether due and payable by the terms hereof or not, and the interest due thereon up to the time of such sale, rendering the overplus, if any, unto the Mortgagor, and it shall not be the duty of the purchaser to see to the application of the purchase money; and in case of said indebtedness, after the filing of any bill to foreclose this Mortgage, and prior to the entry of a decree of sale, a reasonable sum for legal services rendered to the time of such payment shall be allowed as solicitors' fees, which, together with any sum paid for continuation of abstract, court costs, and stenographers' charges and expenses of such proceeding, shall be additional indebtedness hereby secured.

(b) The Mortgagee may purchase the Collateral, or any portion of it at any sale held under this Article. All purchasers at any sale or disposition shall take the Collateral free and clear of all claims or rights or redemption to the Collateral and with the benefit of the representations, covenants, and warranties contained or referred to herein.

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7-9. Mortgagor's Waiver. Mortgagor shall not and will not apply for or avail itself of any appraisal, valuation, redemption, 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 this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it, waives any and all right to have the property and estates comprising the 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. Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure, pursuant to rights herein granted, on behalf of the Mortgagor, the trust estate, and all persons beneficially interested therein, and each and every person acquiring any interest in or title to the premises described herein subsequent to the date of this Mortgage, and on behalf of all other persons to the extent permitted by the provisions of Chapter 110, Section 12-124 of the Illinois Revised Statutes.

7-10. Rights and Remedies. The rights, remedies, powers, privileges, and discretions of the Mortgagee hereunder (hereinafter the Mortgagee's Rights and Remedies), shall be cumulative and not exclusive of any rights or remedies which it would otherwise have. No delays or omissions by the Mortgagee in exercising or enforcing any of the Mortgagee's Rights and Remedies shall operate as or constitute a waiver thereof. No waiver by the Mortgagee of any default hereunder or under any other agreement shall operate as a waiver of any other default hereunder or under any other agreement. No single or partial exercise of the Mortgagee's Rights or Remedies, and no other agreement or transaction, of whatever nature entered into between the Mortgagee and the Mortgagor at any time, whether before, during, or after the date hereof, preclude any other or further exercise of the Mortgagee's Rights and Remedies. No waiver or modification on the Mortgagee's part on any one occasion shall be deemed a waiver on any subsequent occasion, nor shall it be deemed a continuing waiver. All of the Mortgagee's Rights and Remedies under this Agreement or any other agreement or transaction shall be cumulative, and not alternative or exclusive, and may be exercised by the Mortgagee at such time or times and in such order of preference as the Mortgagee in its sole discretion may determine.

## ARTICLE 8 - MISCELLANEOUS

8-1. Successors and Assigns. In the event the ownership of the Collateral, or any part thereof, becomes vested in a person other than the Mortgagor, the Mortgagee may, without notice to the Mortgagor, deal with such successor or successors in interest with reference to this Agreement and the Liabilities in the same manner as with the Mortgagor, without in any way waiving the default occasioned by such transfer of ownership or in any way vitiating or discharging the Mortgagor's liability hereunder or upon the Liabilities, and no compromise, settlement, release or sale of the Collateral, no forbearance on the part of the Mortgagee, and no alteration, amendment, cancellation, waiver or modification of any term or condition or extension of the time for payment of the Liabilities given by the Mortgagee shall operate to release, discharge, modify, change or affect the original liability of the Mortgagor herein, either in whole or in part, notice of any action being waived.

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8-2. Set Off. Except for tax and insurance escrow funds which are provided for in Section 4-8 herein, all deposits or other sums at any time credited by or due from the Mortgagee to the Mortgagor, and all cash, securities, instruments, or other property of the Mortgagor in the possession of the Mortgagee (whether for safekeeping, or otherwise) shall at all times constitute security for the Liabilities, and may be applied or set off by the Mortgagee against the Liabilities at any time whether or not the Liabilities are then due or other collateral is then available to the Mortgagee.

8-3. Application of Proceeds. The proceeds of any collection, sale, or disposition of the Collateral, or of any other payments received hereunder, shall be applied toward the Liabilities in such order and manner as the Mortgagee determines in its sole discretion, any statute, custom, or usage to the contrary notwithstanding. The Mortgagor shall remain liable to the Mortgagee for any deficiency remaining following such application.

8-4. Waiver. (a) The Mortgagor WAIVES notice of non-payment, demand, presentment, protest and all forms of demand and notice, both with respect to the Liabilities and the Collateral.

(b) The Mortgagor, if entitled to it, WAIVES the right to notice and/or hearing prior to the exercise of any of the Mortgagee's Rights and Remedies.

8-5. Responsibility of Mortgagee. The Mortgagee shall not be liable for any loss sustained by the Mortgagor resulting from any action, omission, or failure to act by the Mortgagee with respect to the exercise or enforcement of its rights under this Agreement or its relationship with the Mortgagor unless such loss is caused by the willful misconduct and actual bad faith of the Mortgagee. This Agreement and the Mortgagee's exercise of its rights hereunder shall not operate to place any responsibility upon the Mortgagee for the control, care, management, or repair of the Collateral, nor shall it operate to place any responsibility upon the Mortgagee to perform the obligations of the Mortgagor under any Lease, or to make the Mortgagee responsible or liable for any waste committed on the Mortgaged Premises, any damages or defective condition of the Mortgaged Premises, or any negligence in the management, upkeep, repair, or control of the Mortgaged Premises.

8-6. Indemnification. The Mortgagor shall indemnify, defend, and hold the Mortgagee harmless of and from any claim brought or threatened against the Mortgagee by the Mortgagor, any guarantor or endorser of the Liabilities, or any other person (as well as from attorneys' reasonable fees and expenses in connection therewith) on account of the Collateral or on account of the Mortgagee's relationship with the Mortgagor or any other guarantor or endorser of the Liabilities (each of which may be defended, compromised, settled, or pursued by the Mortgagee with counsel of the Mortgagee's selection, but at the expense of the Mortgagor). The within indemnification shall survive payment of the Liabilities and/or any termination, release, or discharge executed by the Mortgagee in favor of the Mortgagor.

8-7. Binding on Successors. This Agreement shall be binding upon the Mortgagor and the Mortgagor's heirs, executors, administrators, representatives, successors, and assigns and shall inure to the benefit of the Mortgagee and the Mortgagee's successors and assigns. This provision shall not in

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any way be deemed to be a waiver by the Mortgagee of any Event of Default provided for herein.

8-8. Severability. Any determination that any provision of this Agreement or any application thereof is invalid, illegal, or unenforceable in any respect in any instance shall not affect the validity, legality, and enforceability of such provision in any other instance, nor the validity, legality, or enforceability of any other provision of this Agreement.

8-9. Consent. The Mortgagor may take any action herein prohibited, or omit to perform any act required to be performed by it, if the Mortgagor shall obtain the prior written consent by a duly authorized officer of the Mortgagee for each such action, or omission to action.

8-10. Payment of Costs. The Mortgagor shall pay on demand all Costs of Collection and all expenses of the Mortgagee in connection with the preparation, execution, and delivery of this Agreement and of any other documents and agreements between the Mortgagor and the Mortgagee, including, without limitation, attorneys' reasonable fees and disbursements, and all expenses which the Mortgagee may hereafter incur in connection with the collection of the Liabilities or the protection or enforcement of any of the Mortgagee's rights against the Mortgagor, any Collateral, and any guarantor or endorser of the Liabilities. The Mortgagor authorizes the Mortgagee to pay all such expenses and to charge the same to any account of the Mortgagor with the Mortgagee.

8-11. Additional Advances. All amounts which the Mortgagee may advance under any Sections of this Agreement shall be repayable to the Mortgagee with interest at the highest rate charged relative to any of the Liabilities, on demand, shall be a Liability, and may be charged by the Mortgagee to any deposit account which the Mortgagor maintains with the Mortgagee.

8-12. Governing Law. This Agreement and all rights and obligations hereunder, including matters of construction, validity and performance, shall be governed by the laws of The State of Illinois. The Mortgagor submits itself to the jurisdiction of the courts of said State for all purposes with respect to this Agreement and the Mortgagor's relationship with the Mortgagee.

IN WITNESS WHEREOF, the Mortgagor has executed this Agreement as a sealed instrument on the date first above written.

NATURE FOOD CENTRES, INC.  
("Mortgagor")

(Seal)

By: 

Ronald L. Rossetti  
President and Treasurer

87244/85



LEGAL DESCRIPTION

## PARCEL I

That part of Lot seven (7) in Block thirty seven (37) in the Original Town of Chicago bounded and described as follows: Beginning on the South line of said Lot seven (7), at a point 30 feet East from the South West corner thereof; running thence East along said South line 30 feet to the ground reserved as an alley in and by a certain deed made by Hugh T. Dickey to Hart L. Stewart and James Y. Sanger, dated November 28, 1845 and recorded January 7, 1847 in Book 22 of deeds, page 605; thence North parallel to the East line of said Lot seven (7) along the West line of said alley and also along the West line of the alley mentioned in the deed of said Dickey to Hibbard Porter; recorded December 23, 1844 in Book 14 of deeds, page 194 to the North line of said Lot seven (7); thence West along said North line 30 feet to part of said Lot seven (7) conveyed by said Dickey to Samuel J. Surdam, by deed dated November 29, 1845 and recorded December 3, 1845 in Book 18 of deeds, page 5; thence South parallel to the East line of said Lot seven (7) to place of beginning, in Cook County, Illinois.

## PARCEL II

A 10-foot (private alley) strip (except the East 1/2 thereof) lying West and adjoining Lots thirteen (13) and fourteen (14) in assessors division of Lots one (1), two (2), seven (7) and eight (8) in Block thirty seven (37) in Original Town of Chicago in Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois, also known as a 10-foot strip of land (except the East 1/2 thereof) reserved for alley described as the South 1/2 of the West 10 feet of the East 20 feet of Lot seven (7) in Block thirty seven (37) in Original Town of Chicago all in Cook County, Illinois.

17-09-450-012-0000

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## COMMONWEALTH OF MASSACHUSETTS

*Middlesex*  
~~Suffolk~~, SS.

February 6, 1987

I, Patricia A. TATO, a Notary Public in and for <sup>*Middlesex*</sup>~~Suffolk~~ County and the Commonwealth of Massachusetts aforesaid, do hereby certify that Ronald L. Rossetti, being personally known to me to be the President and Treasurer, of Nature Food Centres, Inc., in whose name the above and foregoing instrument was executed, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal this 6<sup>th</sup> day of February, 1987.

Patricia A. TATO  
Notary Public  
My Commission Expires: 10/21/88

This Mortgage, Security Agreement, and Assignment was prepared by David S. Berman, Esquire, Riemer & Braunstein, Three Center Plaza, Boston, Massachusetts 02108

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DEPT-01 RECORDING \$27.50  
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John J. Foran  
Foran, Wiss & Schultz  
30 North LaSalle Street  
Suite 3000  
Chicago, Illinois 60602  
312/368-8330



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