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MORTGAGE, ASSIGNMENT,
SECURITY AGREEMENT AND FIXTURE FILING

Dated: September 29, 1989

CHICAGO TITLE AND TRUST COMPANY,
an Illinois corporation, solely in its capacity
as Trustee under Trust No. 1086000, Mortgageor

AND

123 WACKER VENTURE,
an Illinois General Partnership

TO

THE SUMITOMO TRUST & BANKING CO., LTD.,
acting through its Los Angeles Agency, Mortgagee

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72-14-07681

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MORTGAGE, ASSIGNMENT, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage"), dated as of September 29, 1989, by CHICAGO TITLE AND TRUST COMPANY, an Illinois corporation ("Mortgagor"), solely in its capacity as Trustee under Trust No. 1086000, and 123 WACKER VENTURE, an Illinois general partnership ("Beneficiary"), to THE SUMITOMO TRUST & BANKING CO., LTD. ("Mortgagee"), acting through its Los Angeles Agency.

W I T N E S S E T H:

WHEREAS, Mortgagee and Shuwa Investments Corporation, a California corporation ("Borrower"), have entered into a Loan Agreement (as amended, modified, restated or supplemented from time to time, the "Loan Agreement") dated September 29, 1989;

WHEREAS, pursuant to the Loan Agreement and subject to the terms and conditions therein set forth, Mortgagee has agreed to make a loan (the "Loan") to Borrower in an aggregate amount not to exceed One Hundred Seventy Million Dollars (\$170,000,000);

WHEREAS, Borrower has executed a Secured Promissory Note (as amended, modified, restated, supplemented or extended from time to time, the "Note") in the principal amount of One Hundred Seventy Million Dollars (\$170,000,000) dated of even date with this Mortgage in favor of Mortgagee;

WHEREAS, Beneficiary is the holder of the beneficial interest under Trust No. 1086000;

WHEREAS, the total indebtedness and liabilities to be secured by this Mortgage consist of the following (such indebtedness and liabilities or the instruments evidencing same, as applicable, being herein collectively called the "Obligations"):

(i) the aggregate principal amount of the Loan as evidenced by the Note; and

(ii) interest on the principal amount of the Loan, as provided in the Loan Agreement and the Note; and

(iii) all other amounts payable and all other obligations (whether of payment or performance) of Borrower, Mortgagor and Beneficiary, as applicable, under the Loan Agreement, the Note, this Mortgage and any other document which relates to the Loan Agreement or the Note or any of the security therefor (collectively, as amended, modified,

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restated or supplemented from time to time, the "Loan Documents"); and

WHEREAS, the execution and delivery of this Mortgage is required under the Loan Agreement and Beneficiary will benefit from the making of the Loan.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and to secure the punctual payment by Borrower when due, whether at stated maturity, by acceleration, by required prepayment or otherwise, and performance and observance of, the Obligations, Mortgagor and Beneficiary, and each of them, do hereby grant, bargain, sell, convey, assign, transfer, set over, deliver and mortgage to Mortgagee, and grant to Mortgagee a security interest in, upon the terms and conditions of this Mortgage, the real and personal property and fixtures described in Granting Clauses FIRST through EIGHTH below (all of such property hereinafter collectively called the "Mortgaged Property").

Notwithstanding anything to the contrary herein contained, this Mortgage shall be deemed to be and shall be enforceable as a mortgage, an assignment, a security agreement and a fixture filing, and this Mortgage shall constitute and shall be deemed to be a "security agreement" for all purposes of the Uniform Commercial Code of the State of Illinois (the "UCC").

Property described in any one of the Granting Clauses is not necessarily excluded from any of the other Granting Clauses.

GRANTING CLAUSES

All the estate, right, title and interest of Mortgagor in, to and under, or derived from:

GRANTING CLAUSE FIRST

Land

All those certain lots, pieces or parcels of land more particularly described in the attached Exhibit A, as the description of the same may be amended or supplemented from time to time, and all of the reversions or remainders in and to said land and the tenements, hereditaments, easements, rights-of-way, use rights, rights (including alley, drainage, mineral, water, oil and gas rights), privileges, royalties and appurtenances to said land, now or hereafter belonging or in anywise appertaining thereto, including any such right,

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title or interest in, to or under any agreement granting, conveying or creating, for the benefit of said land, any easement, right or license in any way affecting other property and in, to or under any streets, ways, alleys, vaults, gores or strips of land adjoining said land or any parcel thereof, or in or to the air space over said land, all rights of ingress and egress by motor vehicles to parking facilities on or within said land, and all claims or demands of Mortgagor, either at law or in equity, in possession or expectancy, of, in or to the same (all of the foregoing hereinafter collectively called the "Land").

GRANTING CLAUSE SECOND

Improvements

All buildings, structures, facilities and other improvements now or hereafter located on the Land, and all building material, building equipment and fixtures of every kind and nature now or hereafter located on the Land or attached to, contained in, or used in connection with, any such buildings, structures, facilities or other improvements, and all appurtenances and additions thereto and betterments, renewals, substitutions and replacements thereof, now or hereafter owned by Mortgagor or in which Mortgagor has or shall acquire an interest (all of the foregoing hereinafter collectively called the "Improvements").

GRANTING CLAUSE THIRD

Leases

All the leases, lettings and licenses of the Land and the Improvements (collectively, the "Premises"), or any portion thereof, now or hereafter entered into, and all amendments, modifications, supplements, additions, extensions and renewals thereof, and all of the lessor's right, title and interest thereunder, including cash and securities deposited thereunder, the right to receive and collect the rents, income, proceeds, issues and profits payable thereunder and the rights to enforce, whether at law or in equity or by any other means, all provisions and options thereof (all of the foregoing hereinafter collectively called the "Leases").

GRANTING CLAUSE FOURTH

Rents, Issues and Profits

All of the rents, income, proceeds, issues and profits from the Premises or any other property described in these Granting Clauses.

GRANTING CLAUSE FIFTH

Tangible Personal Property and Fixtures

All tangible articles of personal property, and all accessions and additions thereto and betterments, renewals, substitutions and replacements thereof, now or hereafter owned by Mortgagor or Beneficiary or in which Mortgagor or Beneficiary has or shall acquire an interest, and now or hereafter located on, contained in, or used on site in connection with the management, operation and maintenance of, the Premises, and all of such property which is or may be or becomes or may become fixtures on the Premises, including without limitation all partitions, screens, awnings, shades, blinds, curtains, draperies, carpets, rugs, furniture and furnishings; all heating, lighting, plumbing, ventilating, air conditioning, refrigerating, gas, steam, electrical, incinerating and/or compacting plants, systems, fixtures and equipment; all elevators, escalators, ranges, vacuum and other cleaning systems, call systems, switchboards, sprinkler systems and other fire prevention and extinguishing apparatus and materials, motors, machinery, pipes, ducts, conduits, dynamos, engines, compressors, generators, boilers, stokers, furnaces, pumps, tanks, appliances, equipment, utensils, tools, implements, fittings and fixtures; and all "equipment" (as defined in the UCC) relating to the Premises.

GRANTING CLAUSE SIXTH

Other Contracts and Intangibles

All contracts, including without limitation service contracts, management contracts and personal property leases, to which Mortgagor and/or Beneficiary is a party and relating to or affecting the Premises, or any other property mortgaged or encumbered hereby, now or hereafter entered into, and all amendments, modifications, supplements, additions, extensions and renewals thereof, all permits, licenses, franchises, certificates and other rights and privileges obtained in connection with the Premises and all "general intangibles" (as defined in the UCC) relating to the Premises.

GRANTING CLAUSE SEVENTH

Other and After Acquired Property

Any and all moneys and other property, of every kind and nature, which may from time to time be subjected to the lien hereof by Mortgagor or Beneficiary, through a supplement to this Mortgage or otherwise, or which

may come into the possession of or be subject to the control of Mortgagee, it being the intention and agreement of Mortgagor and Beneficiary that all property hereafter acquired or constructed, and located on the Premises, shall forthwith upon acquisition or construction thereof and without any act or deed by Mortgagor or Beneficiary be subject to the lien and security interest of this Mortgage as if such property were now owned by Mortgagor and/or Beneficiary and were specifically described in this Mortgage and conveyed or encumbered hereby or pursuant hereto, and Mortgagee is hereby authorized to receive any and all such property as and for additional security hereunder.

GRANTING CLAUSE EIGHTH

Proceeds and Awards

All unearned premiums, accrued, accruing or to accrue under insurance policies now or hereafter obtained by Mortgagor or Beneficiary and relating to the Premises, all proceeds of the conversion, voluntary or involuntary, of any of the property described in these Granting Clauses into cash or other liquidated claims, including proceeds of hazard, title and other insurance, and all judgments, damages, awards, settlements and compensation (including interest thereon) heretofore or hereafter made to the present and all subsequent owners of the Premises, and/or any other property or rights encumbered or conveyed hereby for any injury to or decrease in the value thereof for any reason, or by any governmental or other lawful authority for the taking by eminent domain, condemnation or otherwise of all or any part thereof, including awards for any change of grade of streets, and all other proceeds of any of the property described in these granting clauses.

TO HAVE AND TO HOLD, subject to the matters described in the attached Exhibit B ("Permitted Exceptions"), all of the Mortgaged Property, whether now owned or leased or hereafter acquired and whether now or hereafter existing, together with all the rights, privileges and appurtenances thereunto belonging, unto Mortgagee, forever, for the uses and purposes herein set forth.

AND Mortgagor and Beneficiary covenant and agree with Mortgagee as follows:

ARTICLE I

Covenants of Mortgagor

SECTION 1.01. General Covenants.

(a) Payment and Performance of Obligations.

Mortgagor will punctually pay when due, and timely perform and observe, all of the Obligations.

(b) Good Standing. Mortgagor will maintain

in good standing its corporate existence, franchises, rights and privileges under the law of the State of Illinois and its right to transact business in the State of Illinois, and will not dissolve, dispose of, directly or indirectly or by operation of law, all or substantially all of its assets without Mortgagee's consent and compliance with the provisions of subsections (c) and (d) of this Section 1.01, or change its name, identity or legal structure.

(c) Further Assurances. Mortgagor will, at

the request of Mortgagee, (i) promptly correct any defect, error or omission which may be discovered in the contents of any of the Loan Documents to which Mortgagor is a party, or in the execution, acknowledgement or recordation thereof or hereof, (ii) promptly do, execute, acknowledge and deliver any and all such further acts, deeds, conveyances, mortgages, deeds of trust, assignments, estoppel certificates, financing statements and continuations thereof, notices of assignment, certificates, assurances and other instruments as Mortgagee may require from time to time in order to effectuate the purposes of this Mortgage, to subject to the lien and security interest hereby created any of Mortgagor's properties, rights or interests covered or now or hereafter intended to be covered hereby, to perfect and maintain said lien and security interest, and to convey, grant, assign, transfer and confirm unto Mortgagee the rights granted or now or hereafter intended to be granted to Mortgagee hereunder or under any other instrument executed in connection with this Mortgage or by which Mortgagor may be or become bound to convey, mortgage or assign to Mortgagee any such rights in order to carry out the intention or facilitate the performance of the provisions of this Mortgage.

(d) Filing and Recording. Mortgagor and/or

Beneficiary, as applicable, will, at the request of Mortgagee, promptly record and re-record, file and refile and register and re-register this Mortgage, any financing or continuation statements and every other instrument in addition or supplemental to any thereof that shall be required by law in order to perfect and maintain the validity, effectiveness and priority of this Mortgage and the

lien and security interest intended to be created hereby, or to subject after-acquired property of Mortgagor and/or Beneficiary or proceeds to such lien and security interest, in such manner and places and within such times as may be necessary to accomplish such purposes and to preserve and protect the rights and remedies of Mortgagee. Mortgagor and/or Beneficiary will furnish to Mortgagee evidence satisfactory to Mortgagee of every such recording, filing or registration.

(e) Protection of Lien; Defense of Action.

If the lien, security interest, validity or priority of this Mortgage, or if title to or any of the rights of Mortgagor or Mortgagee in or to the Mortgaged Property shall be endangered or questioned, or shall be challenged directly or indirectly, or if any action or proceeding is instituted against Mortgagor or Mortgagee with respect thereto, Mortgagor will promptly notify Mortgagee thereof and will diligently endeavor to cure any defect which may be claimed, and will take all necessary and proper steps for the defense of such action or proceeding, including the employment of counsel, the prosecution or defense of litigation and, subject to Mortgagee's approval, the compromise, release or discharge of any and all adverse claims. Mortgagee (whether or not named as a party to such actions or proceedings) is hereby authorized and empowered (but shall not be obligated) to take such additional steps as it may deem necessary or proper for the defense of any such action or proceeding or the protection of the lien, security interest, validity or priority of this Mortgage or of such title or rights, including the employment of counsel, the prosecution or defense of litigation, the compromise, release or discharge of such adverse claims and the removal of prior liens and security interests. Mortgagor shall, on demand, reimburse Mortgagee for all expenses (including attorneys' fees and disbursements) incurred by Mortgagee in connection with the foregoing matters, and Mortgagee shall be subrogated to all rights of the person receiving such payment. All such costs and expenses of Mortgagee, until reimbursed by Mortgagor, shall be part of the Obligations and shall be secured by this Mortgage.

SECTION 1.02. Operation and Maintenance.

(a) Repair and Maintenance. Mortgagor will operate and maintain the Premises in good order, repair and operating condition, will promptly make all necessary repairs, renewals, replacements, additions and improvements thereto, interior and exterior, structural and nonstructural, foreseen and unforeseen, or otherwise necessary to insure that the same as part of the security under this Mortgage shall not in any way be diminished or impaired, and will not

cause or allow any of the Premises to be misused or wasted or to deteriorate.

(b) Replacement of Equipment. Mortgagor will keep the Premises fully equipped and will replace all worn-out or obsolete fixtures or personal property which form a part of the Mortgaged Property with fixtures or personal property comparable thereto when new, and will not, without Mortgagee's consent, remove from the Premises any fixtures or personal property covered by this Mortgage unless the same is replaced by Mortgagor with an article of equal suitability and value when new, owned by Mortgagor or Beneficiary free and clear of any lien or security interest (other than Permitted Exceptions and the lien and security interest created by this Mortgage). No part of the Improvements shall be removed, demolished or structurally or materially altered (including an alteration which impairs the value thereof), nor shall any new building, structure, facility or other improvement be constructed on the Land without Mortgagee's consent.

(c) Inventory. Upon Mortgagee's request from time to time, Mortgagor will deliver to Mortgagee an inventory describing and showing the make, model, serial number and location of all fixtures and tangible personal property included in the Mortgaged Property, together with a certification by Mortgagor that said inventory is a true and complete schedule of all such fixtures and personal property, that no other fixtures or personal property are required in the management, maintenance and operation of the Premises, and that all such items are owned by Mortgagor or Beneficiary free and clear of any lien or security interest (other than Permitted Exceptions and the lien and security interest created by this Mortgage).

(d) Compliance with Laws. Mortgagor will perform and comply promptly with, and cause the Premises to be maintained, used and operated in accordance with, any and all (i) present and future laws, ordinances, rules, regulations and requirements of every duly constituted governmental or quasi-governmental authority or agency applicable to Mortgagor or the Premises, (ii) similarly applicable orders, rules and regulations of any regulatory, licensing, accrediting, insurance underwriting or rating organization or other body exercising similar functions, (iii) similarly applicable duties or obligations of any kind imposed under any Permitted Exceptions, covenant, condition, agreement or easement, public or private, and (iv) policies of insurance at any time in force with respect to the Premises. If Mortgagor receives any notice that Mortgagor or the Premises is in default under or is not in compliance with any of the foregoing, or notice of any proceeding initiated

under or with respect to any of the foregoing, Mortgagor will promptly furnish a copy of such notice to Mortgagee.

(e) Use. Mortgagor will not use or occupy, or permit the Premises to be used or occupied, in any manner which violates any applicable law, rule, regulation or order, or which constitutes a public or private nuisance or which makes void, voidable or cancellable, or increases the premium of, any insurance then in force with respect thereto.

(f) Zoning; Title Matters. Mortgagor will not, without Mortgagee's consent, (i) initiate or support any zoning reclassification of the Premises, seek any variance under existing zoning ordinances applicable to the Premises or use or permit the use of the Premises in a manner which would result in such use becoming a non-conforming use under applicable zoning ordinances, (ii) modify, amend or supplement any Permitted Exceptions, (iii) impose any restrictive covenants or encumbrances upon the Premises, execute or file any subdivision plat affecting the Premises or consent to the annexation of the Premises to any municipality or (iv) permit or suffer the Premises to be used by the public or any person in such manner as might make possible a claim of adverse usage or possession or of any implied dedication or easement.

SECTION 1.03. Insurance.

(a) Casualty Insurance. Mortgagor will keep the Improvements and the property described in Granting Clause Fifth insured for the benefit of Mortgagee as follows:

(i) against damage or loss by fire and such other hazards (including lightning, windstorm, hail, explosion, riot, civil commotion, vandalism, malicious mischief, aircraft, vehicle and smoke, but excluding earthquakes) as are covered by such form of extended coverage endorsement as may be reasonably acceptable to Mortgagee and customary for first class office buildings located in Chicago, Illinois, in an amount not less than the greatest of (A) the full insurable value (as defined in subsection (h) of this Section) of the Improvements and the property described in Granting Clause Fifth, (B) the actual replacement cost thereof, (C) the Obligations, or (D) the amount sufficient to prevent Mortgagor from becoming co-insurer;

(ii) against war risks as, when and to the extent such insurance is obtainable from the United States of America or an agency or

instrumentality thereof, in such amounts as may be reasonably requested by Mortgagee;

(iii) rent or business interruption or use and occupancy insurance on such basis and in such amounts as shall be reasonably acceptable to Mortgagee and customary for first class office buildings located in Chicago, Illinois;

(iv) against damage or loss by flood if the Premises are located in an area identified by the Secretary of Housing and Urban Development or any successor as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968 or the Flood Disaster Protection Act of 1973, as amended, modified, supplemented or replaced from time to time, on such basis and in such amounts as shall be reasonably required by Mortgagee;

(v) against damage or loss from (i) sprinkler system leakage and (ii) boilers, boiler tanks, heating and air conditioning equipment, pressure vessels, auxiliary piping and similar apparatus, on such basis and in such amounts as shall be reasonably required by Mortgagee; and

(vi) during the period of any construction, repair, restoration or replacement on or at the Premises, a standard all-risk builder's risk policy with extended coverage, including coverage against collapse, written on a completed value basis, for an amount at least equal to the full insurable value of the Improvements and worker's compensation, in statutory amounts.

(b) Liability Insurance. Mortgagor shall procure and maintain comprehensive public liability insurance covering Mortgagor and Mortgagee against claims for bodily injury or death or property damage occurring in, on or about or resulting from the Premises, or any street, drive, sidewalk, curb or passageway adjacent thereto, in standard form and with such insurance company or companies and in such amounts as may be acceptable to Mortgagee, which insurance shall include blanket contractual liability coverage which insures contractual liability under any indemnification by Mortgagor in any of the Loan Documents (but such coverage or the amount thereof shall in no way limit such indemnification).

(c) Other Insurance. Mortgagor, at Mortgagee's request, will procure and maintain such other insurance or such additional amounts of insurance as Mortgagee shall from time to time require.

(d) Form of Policy. All insurance required under this Section shall be fully paid and nonassessable, and shall contain such provisions, endorsements and expiration dates, as Mortgagee shall from time to time request, and shall be in such form and amounts, and be issued by such insurance companies, as shall be approved by Mortgagee. Without limiting the foregoing, all such policies shall have endorsed thereon, in form acceptable to Mortgagee, a standard mortgagee clause, without contribution, in the name of Mortgagee and a waiver of subrogation endorsement. All such policies shall provide that the same will not be cancelled, amended or reduced in the scope or limits of coverage without at least thirty (30) days' notice to Mortgagee.

(e) Certificates. Mortgagor shall from time to time as needed furnish to Mortgagee certificates of insurance, issued by the insurer, to evidence the insurance required under this Section 1.03 and any additional insurance which shall be carried on the Premises by or on behalf of Mortgagor.

(f) No Separate Insurance. Mortgagor shall not carry separate or additional insurance to that required under this Section 1.03 unless endorsed in favor of Mortgagee in accordance with the requirements of this Section 1.03 and otherwise approved by Mortgagee in all respects.

(g) Transfer of Title. In the event of foreclosure of this Mortgage or other transfer of title or assignment of the Mortgaged Property in extinguishment, in whole or in part, of the Obligations, all right, title and interest of Mortgagor in and to all policies of insurance required under this Section 1.03 or otherwise then in force with respect to the Mortgaged Property and all proceeds payable thereunder and unearned premiums thereon shall immediately vest in the purchaser or other transferee of the Mortgaged Property.

(h) Replacement Cost. For purposes of this Section, the term "full insurable value" shall mean the cost of replacing the Improvements and the property described in Granting Clause Fifth, exclusive of the cost of excavations, foundations and footings, as determined from time to time by the insurance company or companies holding such insurance or by an appraiser, engineer, architect or contractor proposed by Mortgagor and approved by said company or companies and Mortgagee.

SECTION 1.04. Damage and Destruction.

(a) Mortgagor's Obligations. In the event of any damage to or loss or destruction of the Premises, Mortgagor (i) shall promptly notify Mortgagee of such event and take such steps as shall be necessary to preserve any undamaged portion of the Premises and (ii) shall promptly, whether or not the insurance proceeds, if any, shall be sufficient for the purpose or shall be otherwise applied by Mortgagee as provided herein, commence and diligently pursue to completion the restoration, replacement or rebuilding of the Premises as nearly as possible to their value, condition and character immediately prior to such damage, loss or destruction and in accordance with plans and specifications approved, and with other provisions for the preservation of the security hereunder established, by Mortgagee.

(b) Mortgagee's Rights; Application of Proceeds. In the event that any portion of the Premises is so damaged, lost or destroyed, and such damage, loss or destruction is covered, in whole or in part, by insurance described in Section 1.03, then (i) Mortgagee may, but shall not be obligated to, make proof of loss if not made promptly by Mortgagor and is hereby authorized and empowered by Mortgagor to settle, adjust or compromise any claims for damage, loss or destruction thereunder if Mortgagor does not promptly undertake same, (ii) each insurance company concerned is hereby authorized and directed to make payment therefor directly to Mortgagee, and (iii) Mortgagee shall have the right to apply the insurance proceeds, first, to reimburse Mortgagee for all reasonable costs and expenses, including attorneys' fees and disbursements, incurred in connection with the collection of such proceeds, second, to the cure of any then current default hereunder, third, to the restoration, replacement or building, in whole or in part, of the portion of the Premises so damaged, lost or destroyed, provided that any insurance proceeds held by Mortgagee to be applied to the Premises shall be paid out from time to time upon compliance by Mortgagor with such reasonable provisions as may be imposed by Mortgagee, and fourth, any proceeds thereafter remaining shall be applied in payment (without premium or penalty) of all or any part of the Obligations, in the order and manner determined by Mortgagee in its sole discretion (provided that the remainder of the Obligations shall continue in full force and effect and Mortgagor shall not be excused in the payment thereof). Notwithstanding anything herein or at law or in equity to the contrary, none of the insurance proceeds paid to Mortgagee as herein provided shall be deemed trust funds and Mortgagee shall be entitled to dispose of such proceeds as provided in this Section 1.04. Mortgagor expressly assumes all risk of loss, including a decrease in the use, enjoyment or value, of the

Premises from any casualty whatsoever, whether or not insurable or insured against.

SECTION 1.05. Condemnation.

(a) Mortgagor's Obligations; Proceedings.

Mortgagor, immediately upon obtaining knowledge of any pending or threatened institution of any proceedings for the condemnation of the Premises or of any right of eminent domain, or of any other proceedings arising out of injury or damage to the Premises (including change in grade of any street), or any part thereof or interest therein, will notify Mortgagee of the threat or pendency thereof. Mortgagee may participate in any such proceedings, and Mortgagor from time to time will execute and deliver to Mortgagee all instruments requested by Mortgagee to permit such participation. Mortgagor shall, at its expense, diligently prosecute any such proceedings, deliver to Mortgagee copies of all papers served in connection therewith and consult and cooperate with Mortgagee, its attorneys and agents, in the carrying on and defense of any such proceedings, provided that no settlement of any such proceeding shall be made by Mortgagor without Mortgagee's consent.

(b) Mortgagee's Rights to Proceeds.

The proceeds of any condemnation award or proceeds of sale in lieu of condemnation, together with all judgments, decrees and awards for injury or damage to the Premises, are hereby assigned and shall be paid to Mortgagee. Mortgagor agrees to execute and deliver such further assignments thereof as Mortgagee may request and authorizes Mortgagee to collect and receive the same, to give receipts and acquittances therefor, and to appeal from any such judgment, decree or award. Mortgagee shall in no event be liable or responsible for failure to collect, or exercise diligence in the collection of, any of the same.

(c) Application of Proceeds.

Mortgagee shall have the right to apply any proceeds, judgments, decrees or awards referred to in subsection (b) of this Section 1.05, first, to reimburse Mortgagee for all costs and expenses, including attorneys' fees, incurred in connection with the proceeding in question or the collection of such amounts, and, second, the remainder thereof as determined by Mortgagee in its sole discretion. Notwithstanding anything herein or at law or in equity to the contrary, none of the proceeds, judgments, decrees or awards or payments in lieu thereof paid to Mortgagee as herein provided shall be deemed trust funds and Mortgagee shall be entitled to dispose of such proceeds as provided in this Section 1.05.

(d) Effect on the Obligations.

Notwithstanding any condemnation, taking or other proceeding referred to in this Section 1.05 causing injury to or decrease in value of the Premises (including a change in grade of any street), Mortgagor shall continue to pay the Obligations as provided herein. Any reduction in the Obligations resulting from such application shall be deemed to take effect only on the date of such receipt by Mortgagee of such proceeds, judgments, decrees or awards and application against the Obligations, provided that, if prior to the receipt by Mortgagee of such proceeds, judgment, decree or award the Premises shall have been sold on foreclosure of this Mortgage or otherwise, Mortgagee shall have the right to receive the same to the extent of any deficiency found to be due upon such sale, with legal interest thereon, whether or not a deficiency judgment on this Mortgage shall have been sought, recovered or denied, together with attorneys' fees and disbursements incurred by Mortgagee in connection with the collection thereof.

SECTION 1.06. Liens and Liabilities.

(a) Discharge of Liens. Mortgagor will pay, bond or otherwise discharge, from time to time when the same shall become due, all lawful claims and demands of mechanics, materialmen, laborers and others which, if unpaid, might result in, or permit the creation of, a lien on the Premises, or on the rents, income, royalties, issues or profits arising therefrom and, in general, Mortgagor shall do, or cause to be done everything necessary to fully preserve the lien, security interest and priority of this Mortgage.

(b) Creation of Liens. Mortgagor will not, without Mortgagee's consent, create, place or permit to be created or placed, or through any act or failure to act acquiesce in the placing of, or allow to remain, any deed of trust, mortgage, voluntary or involuntary lien, whether statutory, constitutional or contractual (except for any lien for ad valorem taxes on the Premises which are not yet due and payable), security interest, encumbrance or charge, or conditional sale or other title retention document, against or covering the Mortgaged Property, prior to, on a parity with or subordinate to the lien of this Mortgage, other than Permitted Exceptions or the liens and security interests created under the Loan Documents. If any of the foregoing becomes attached to the Mortgaged Property without such consent, Mortgagor will promptly cause the same to be discharged and released.

(c) No Consent. Nothing contained in this Mortgage or the Loan Documents shall be deemed or construed in any way as constituting the consent or request by

Mortgagee, express or implied, to any contractor, subcontractor, laborer, mechanic or materialman for the performance of any labor or the furnishing of any material for the improvement, construction, alteration or repair of the Premises. Mortgagor further agrees that Mortgagee shall not stand in any fiduciary relationship to Mortgagor.

(d) Right to Contest. Notwithstanding anything to the contrary contained in this Section 1.06, Mortgagor shall have the right to contest in good faith the validity of any such lien, encumbrance, charge or security interests, provided that and so long as (1) the same is done by Mortgagor upon prior written notice to Mortgagee and at Mortgagor's sole cost and expense and with due diligence and continuity so as to resolve as promptly as possible such question of validity; (2) neither the Premises nor any part thereof will be in immediate danger of being forfeited or lost by reason of such contest; (3) such contest shall not subject Mortgagee to prosecution for a criminal offense or a claim for civil liability; (4) Mortgagor shall either bond such lien, encumbrance, charge or security interest or establish a reserve or other security with Mortgagee in an amount and in form and substance satisfactory to Mortgagee for application towards the cost of curing or removing the same from record pursuant to clause (5) below; (5) Mortgagor shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged; (6) Mortgagor agrees in writing to indemnify and hold harmless Mortgagee from and against any and all expenses, claims, demands, obligations, liabilities, suits, actions and penalties upon or arising out of such contest and (7) Mortgagor is not in default under any of the Loan Documents.

SECTION 1.07. Taxes and Other Charges.

(a) Taxes on the Premises. Mortgagor will pay when due, and before any penalty, interest or cost for non-payment thereof may be added thereto, all taxes, assessments, vault, water and sewer rents, rates, charges and assessments, levies, permits, inspection and license fees and other governmental and quasi-governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, heretofore or hereafter assessed, levied or otherwise imposed against or upon, or which may become a lien upon, the Mortgaged Property or any part thereof (collectively, "Impositions"). Mortgagor will also pay any penalty, interest or cost for non-payment of Impositions which may become due and payable, and such penalties, interest or cost shall be included within the term Impositions.

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(b) Receipts. Mortgagor will furnish to Mortgagee, upon Mortgagee's request, proof of payment in full of all Impositions.

SECTION 1.08. Hazardous Materials.

(a) Mortgagor shall comply with any and all environmental laws applicable to the Premises, including, without limitation, environmental laws with respect to the discharge and removal of Hazardous Materials (as defined in subsection (b) below), shall pay immediately when due the cost of removal of any such Hazardous Materials, and shall keep the Premises free of any lien imposed pursuant to any environmental laws. Mortgagor shall not install nor permit to be installed or maintained in or at the Premises, any Hazardous Materials, except cleaning materials and supplies in nature and quantity customarily used and stored in the industry for office buildings of similar nature to the Improvements. Upon discovery by Mortgagor of any Hazardous Materials (except as permitted pursuant to the foregoing sentence), Mortgagor shall immediately provide Mortgagee with notice of the existence and the extent of any Hazardous Materials and shall promptly take appropriate remedial action including without limitation the removal of any Hazardous Materials from the Premises and shall successfully complete such remedial action within the time specified by any applicable environmental laws. If Mortgagor shall fail to remove or otherwise comply or cause such removal or other compliance, without prejudice to its other remedies hereunder, Mortgagee may in its discretion (but without any obligation) do whatever is necessary in Mortgagee's discretion to eliminate such Hazardous Materials from the Premises or otherwise comply with applicable environmental laws and Mortgagor shall reimburse Mortgagee for the costs thereof on demand. If Mortgagee becomes aware of Hazardous Materials on the Premises, Mortgagee may if it chooses waive its security under this Mortgage and either accelerate the Loan or take such other action as it deems appropriate without jeopardizing or otherwise affecting its rights under the other Loan Documents, which shall remain in full force and effect.

(b) As used in this Section 1.08, "Hazardous Materials" means any asbestos, flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials, including without limitation substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C.

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Section 6901, et seq.; and in the regulations adopted and publications promulgated pursuant to said laws.

SECTION 1.09. Inspection. Mortgagor will allow Mortgagee or its authorized representatives to enter upon and inspect the Premises at all reasonable times and will assist Mortgagee or such representative in effecting said inspection.

ARTICLE II

Assignment of Rents and Leases

SECTION 2.01. Assignment.

(a) Mortgagor hereby assigns, bargains, sells, transfers and sets over to Mortgagee, as an absolute and present assignment and not as the granting of a security interest, all of the Leases and all rents, income, royalties, proceeds, issues and profits from or of any of the Mortgaged Property, including without limitation any of the foregoing derived from, and all security deposits held under, the Leases, and the right to receive the same and apply them against the Obligations, together with all contracts, bonds, leases and other documents evidencing the same now or hereafter in effect and all rights of Mortgagor thereunder; provided, however, that nothing contained in this subsection (or in any other provision of this Mortgage) shall be construed to bind Mortgagee to the performance of any of the provisions of the Leases or any such contract, bond, lease or other document or otherwise impose any obligation upon Mortgagee (including any liability under a covenant of quiet enjoyment contained in any of the Leases or under applicable law in the event that any tenant shall have been joined as a party defendant in any action to foreclose this Mortgage and shall have been foreclosed of all right, title and interest and all equity of redemption in the Premises), except that Mortgagee shall be accountable for any money actually received pursuant to such assignment.

(b) So long as there shall exist no Event of Default (as defined below), and except as otherwise expressly provided herein, Mortgagor shall have the right and license to collect, as the same shall accrue, said rents, income, royalties, proceeds, issues and profits. Mortgagor agrees to hold the same in trust and to use the same in payment of the Obligations, Impositions and insurance premiums payable hereunder and all other charges on or against the Premises.

(c) In the event of any Event of Default, the right and license set forth in subsection (b) of this Section 2.01 may be revoked by Mortgagee, and thereafter Mortgagee

shall have the right and authority to exercise any of the rights or remedies referred to or set forth in Article V. In addition, upon an Event of Default, Mortgagor shall promptly pay to Mortgagee (i) all rent prepayments and security or other deposits paid to Mortgagor pursuant to any lease assigned hereunder and (ii) all charges for services or facilities or for escalation which were paid pursuant to any such lease to the extent allocable to any period from and after such Event of Default.

(d) If Mortgagor is not required to surrender possession of the Premises hereunder in the event of an Event of Default, Mortgagor will pay monthly in advance to Mortgagee, on its entry into possession pursuant to Article V, or to any receiver appointed to collect said rents, income, royalties, proceeds, issues and profits, the fair and reasonable rental value for the use and occupation of the Premises or such part thereof as may be in the possession of Mortgagor. Upon a default in any such payment, Mortgagor will vacate and surrender such possession to Mortgagee or such receiver, and, upon a default in vacating and surrendering the same, may be evicted by summary or any other available proceedings.

(e) Mortgagor will, as and when requested from time to time by Mortgagee, execute, acknowledge and deliver to Mortgagee, in a form approved by Mortgagee, one or more general or specific assignments of the lessor's interest under the Leases. Mortgagor will, on demand, reimburse Mortgagee for any costs or expenses incurred in connection with the preparation or recording of any such assignment.

SECTION 2.02. Leases.

(a) Mortgagor will (i) perform or cause to be performed the lessor's obligations under the Leases, (ii) enforce the performance by each lessee thereunder of all of said lessee's obligations thereunder and (iii) give Mortgagee prompt notice and a copy of any notice of any material default, termination or cancellation sent or received by the lessor thereunder.

(b) Mortgagor will not, without Mortgagee's consent, assign, mortgage, pledge or otherwise transfer, dispose of or encumber, whether by operation of law or otherwise, any of the Leases or the rents or other income thereunder or therefrom.

(c) Mortgagor will promptly notify the Mortgagee in writing within thirty (30) days after any amendment, modification or alteration of the terms of any Lease or the execution of any such future Lease. At the

option of Mortgagee, upon written notice to Mortgagor Mortgagee shall have the right to approve in advance the execution of any and all future Leases and the amendment, modification or alteration of any and all Leases.

(d) Mortgagor will, promptly upon Mortgagee's request from time to time, prepare and deliver to Mortgagee such information concerning the Leases as Mortgagee shall specify.

ARTICLE III

Additional Advances; Expenses; Indemnity

SECTION 3.01. Additional Advances and Disbursements.

(a) Mortgagor agrees that, if Mortgagor shall default in any of its obligations under the Loan Documents to pay any amount or to perform any action, including its obligation under Section 1.07 to pay Impositions and under Section 1.03 to procure, maintain and pay premiums on the insurance policies referred to therein, then Mortgagee shall have the right, but not the obligation, in Mortgagor's name or in its own name, and without notice to Mortgagor, to advance all or any part of such amounts or to perform any or all such actions, and, for such purpose, Mortgagor expressly grants to Mortgagee, in addition and without prejudice to any other rights and remedies hereunder, the right to enter upon and take possession of the Premises to such extent and as often as Mortgagee may deem necessary or desirable to prevent or remedy any such default. No such advance or performance shall be deemed to have cured such default by Mortgagor or any Event of Default with respect thereto. All sums so advanced and all expenses incurred by Mortgagee in connection with such advances or actions, and all other sums advanced or expenses incurred by Mortgagee hereunder or under applicable law shall be deemed obligations owing by Mortgagor to Mortgagee and shall bear interest, from the date paid or incurred until paid, at the rate of interest provided in the Loan Agreement for obligations not paid when due. All such amounts advanced or incurred, and all such interest thereon, shall be part of the Obligations and shall be secured by this Mortgage. Mortgagee, upon making any such advance, shall be subrogated to all of the rights of the person receiving such advance.

(b) Notwithstanding subsection (a), it is understood and agreed that with respect to subsequent purchasers and mortgagees without actual notice, none of the advances made pursuant to subsection (a) shall result in an increase of the indebtedness secured and to be secured hereby

over the face amount of the Note beyond Three Hundred Percent (300%) of such face amount. In determining the amount of such increase, there shall be excluded from any computation all indebtedness which would constitute secured indebtedness under the terms of this Mortgage had this Section 3.01 been omitted.

SECTION 3.02. Other Expenses.

(a) Mortgagor will pay or, on demand, reimburse Mortgagee for the payment of, all appraisal fees, recording and filing fees, taxes, brokerage fees and commissions, abstract fees, title insurance premiums and fees, Uniform Commercial Code search fees, escrow fees, trustee's fees, attorneys' fees and disbursements and all other costs and expenses of every character reasonably incurred by Mortgagor or Mortgagee in connection with the closing of the transactions contemplated under the Loan Documents, or otherwise attributable or chargeable to Mortgagor as owner of the Premises.

(b) Mortgagor will pay or, on demand, reimburse Mortgagee for the payment of any costs or expenses (including attorneys' fees and disbursements) incurred or expended in connection with or incidental to (i) any default or Event of Default by Mortgagor, or (ii) the exercise or enforcement by or on behalf of Mortgagee of any of its rights or remedies or Mortgagor's obligations under the Loan Documents or this Mortgage, including the enforcement, compromise or settlement of this Mortgage or the Obligations or the defense or assertion of the rights and claims of Mortgagee hereunder in respect thereof, by litigation or otherwise.

SECTION 3.03. Indemnity.

(a) Mortgagor agrees to indemnify, hold harmless and defend Mortgagee from and against any and all losses, liabilities, suits, obligations, fines, damages, judgments, penalties, claims, charges, costs and expenses (including attorney's fees and disbursements) which may be imposed on, incurred or paid by or asserted against Mortgagee by reason or on account of, or in connection with, (i) any default or Event of Default by Mortgagor, (ii) Mortgagee's exercise of any of its rights and remedies, or the performance of any of its duties under, the Loan Documents, (iii) the construction, reconstruction or alteration of the Improvements, (iv) any negligence or willful misconduct of Mortgagor, any lessee under any of the Leases, or any of their respective agents, contractors, subcontractors, servants, employees, licensees or invitees, (v) any accident, injury, death or damage to any person or property occurring

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in, on or about the Premises or any street, drive, sidewalk, curb or passageway adjacent thereto or (vi) any other transaction arising out of or in any way connected with the Mortgaged Property or the Loan Documents, except for the willful misconduct or gross negligence of Mortgagee. Any amount payable to Mortgagee under this Section 3.03 shall be deemed a demand obligation, shall be part of the Obligations, and shall be secured by this Mortgage.

(b) Mortgagor's obligations under this Section 3.03 shall not be affected by the absence or unavailability of insurance covering the same or by the failure or refusal by any insurance carrier to perform any obligation on its part under any policy of insurance. If any claim, action or proceeding is made or brought against Mortgagee which is subject to the indemnity set forth in this Section 3.03, Mortgagor shall, upon notice thereof by Mortgagee, defend against the same, if necessary in the name of Mortgagee, by attorneys for Mortgagor's insurance carrier (if the same is covered by insurance) or otherwise by attorneys approved by Mortgagee. Notwithstanding the foregoing, Mortgagee in its discretion, may engage its own attorneys to defend, or assist therein, and Mortgagor shall pay, or, on demand, shall reimburse Mortgagee for the payment of, the fees and disbursements of said attorneys.

ARTICLE IV

Sale or Transfer of the Premises

SECTION 4.01. Contiguous Ownership. Mortgagor acknowledges that the continuous ownership of the Premises by Mortgagor is material to the Mortgagee's decision to make the Loan. Mortgagor agrees that Mortgagor will not, directly or indirectly, sell, grant, convey, assign or otherwise transfer (collectively, "Transfer"), or permit to be the subject of a Transfer, the Mortgaged Property, or any legal or beneficial interest therein, by operation of law or otherwise, without Mortgagee's consent. For purposes of this Mortgage, but without limiting the foregoing, a Transfer of the legal or beneficial ownership, directly or indirectly, in (a) fifty percent or more of the partnership interests of Beneficiary, or (b) substantially all of the assets of Beneficiary, shall be deemed a Transfer of the Mortgaged Property or an interest therein. The provisions of this Section 4.01 shall apply to each and every such Transfer of all or any portion of the Mortgaged Property or any legal or equitable interest therein, regardless of whether or not Mortgagee has consented to, or waived its rights hereunder with respect to any previous Transfer of all or any portion of the Mortgaged Property or any legal or equitable interest therein. In the event that Mortgagor shall Transfer the

Mortgaged Property, or any portion thereof, or any legal, beneficial or equitable interest therein, without Mortgagee's prior written consent, Mortgagee may elect to declare the Obligations, together with any other sums secured hereby, immediately due and payable. Mortgagee may withhold its consent to any proposed Transfer for no reason or any reason, including, without limitation, the failure of the prospective transferee of the Mortgaged Property to reach an agreement in writing with Mortgagee increasing the interest payable on the Obligations to such rate as Mortgagee shall request. Any Transfer or attempted Transfer contrary to the provisions of this Article IV shall be void.

ARTICLE V

Defaults, Remedies and Waivers

SECTION 5.01. Events of Default. The occurrence of the following conditions or events shall each constitute an event of default ("Event of Default"):

(a) The occurrence of any Event of Default (as defined in the Loan Agreement).

(b) Failure of Mortgagor to perform or comply with any term, provision or covenant set forth in Section 4.01 of this Mortgage.

(c) Failure of Mortgagor or Beneficiary to perform or comply with any term, provision or covenant contained in this Mortgage (other than those referred to in Section 4.01), and such failure continues for fifteen (15) days after notice from Mortgagee in the case of any such failure which can be cured by the payment of a sum of money, or for thirty (30) days after notice from Mortgagee in the case of any other failure, or the occurrence of an "Event of Default" as defined in any of the other Loan Documents.

SECTION 5.02. Remedies. Upon the occurrence of an Event of Default, Mortgagee may (but shall not be obligated to), in addition to any rights or remedies available to Mortgagee at law, in equity or under the Loan Documents, take such action, directly or by its agents or attorneys, with or without entry on the Premises, and without notice, demand, presentment or protest (each and all of which are hereby waived), as Mortgagee deems necessary or advisable to protect and enforce its rights and remedies against Mortgagor and in and to the Mortgaged Property, including the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as Mortgagee may determine, in its sole discretion, without impairing or otherwise affecting its other rights or remedies:

(a) Declare all principal, interest and other amounts payable under the Loan Documents to be immediately due and payable, and such amounts shall thereupon become immediately due and payable without demand, protest or further notice of any kind and without the consent, decree or authorization of any court, all of which are expressly waived by Mortgagor.

(b) Institute a proceeding or proceedings for the foreclosure of this Mortgage under any applicable provision of law and foreclose this Mortgage against all or successively against any part or parts of the Mortgaged Property, as Mortgagee may elect, and the right of foreclosure hereunder shall not be impaired or exhausted by one or any foreclosure or by one or any sale and may be foreclosed successively and in parts until all of the Mortgaged Property shall have been foreclosed and sold;

(c) Upon the institution of a proceeding or proceedings for the foreclosure of this Mortgage, any court in which any such proceeding is instituted may:

(i) upon application of Mortgagee or at any time thereafter;

(ii) either before or after foreclosure sale and without notice to Mortgagor or to any party claiming under Mortgagor;

(iii) without regard to the solvency or insolvency at the time of such application of any person then liable for the payment of the Obligations, or any part thereof;

(iv) without regard to the then value of the Mortgaged Property or whether the Land or the Improvements shall then be occupied in whole or in part, as a homestead by the owner of the equity of redemption; and

(v) without requiring any bond from the complainant in such proceedings;

appoint a receiver for the benefit of Mortgagee, with power to take possession, charge and control of the Mortgaged Property, to lease the Mortgaged Property, to keep the Mortgaged Property insured and in good repair, to collect all rents, issues and profits from the Mortgaged Property during the pendency of such foreclosure proceeding and, in the event of foreclosure sale and a deficiency in the proceeds received therefrom, during any period of redemption, and to apply the net amounts remaining in such receiver's possession after

deducting reasonable compensation for itself and its counsel in payment (in whole or in part) of any or all of the Obligations in such order of application as Mortgagee may elect;

(d) Institute an action, suit or proceeding in equity for injunctive relief or the specific performance of any of the provisions contained in the Loan Documents;

(e) Sue and recover a judgment on the Obligations, as the same become due and payable, or on account of any default or defaults by Mortgagor under the Loan Documents;

(f) Enter upon the Premises, and exclude Mortgagor and its agents and servants wholly therefrom, without liability for trespass, damages or otherwise, and take possession of all books, records and accounts relating thereto, and Mortgagor agrees to surrender possession of the Mortgaged Property and of such books, records and accounts to Mortgagee on demand after the occurrence of any Event of Default, and thereafter may use, operate, manage, preserve, control and otherwise deal therewith and conduct the business thereof, either directly or by its superintendents, managers, agents, servants, attorneys or receivers, and exercise all rights and powers of Mortgagor with respect to the Mortgaged Property, either in Mortgagor's name or otherwise, including the right to make, cancel, enforce or modify leases and subleases, obtain and evict tenants and subtenants on such terms as it shall deem advisable, all without interference from Mortgagor;

(g) With or without entering upon or taking possession of the Premises, collect and receive all rents, income, royalties, proceeds, issues and profits derived from the Mortgaged Property, and after deducting therefrom all costs and expenses of every character incurred by Mortgagee in collecting the same and in using, operating, managing, preserving and controlling the Premises, and otherwise in exercising Mortgagee's rights under this subsection (g), including all amounts necessary to pay Impositions, insurance premiums and other charges in connection with the Premises, as well as reasonable compensation for the services of Mortgagee and its respective attorneys, agents and employees, apply the remainder to the Obligations in such order as the Mortgagee may determine in its sole discretion;

(h) Release any portion of the Premises for such consideration as Mortgagee may require without, as to the remainder of the Premises, in any way impairing or affecting the lien or priority of this Mortgage, or improving the position of any subordinate lienholder with respect

thereto, except to the extent that the Obligations shall have been reduced by the actual monetary consideration, if any, received by Mortgagee for such release, and may accept by assignment, pledge or otherwise any other property in place thereof as Mortgagee may require without being accountable for so doing to any other lienor; and/or

(i) Exercise all of the rights and remedies of a "secured party" under the UCC with respect to any of the Mortgaged Property to which the UCC applies, including without limitation the right to dispose of collateral by public or private sale upon not less than ten (10) days prior written notice, which is hereby agreed to be reasonable notice

In the event that Mortgagee shall exercise any of the rights or remedies set forth in this Section 5.02, Mortgagee shall not be deemed to have entered upon or taken possession of the Premises except upon the exercise of its option to do so, evidenced by its demand and overt act for such purpose, nor shall Mortgagee be deemed a mortgagee in possession by reason of such entry or taking possession. Mortgagee will not be liable to account for any action taken pursuant to this Section 5.02 other than for rents actually received by such party, and will not be liable for any loss sustained by Mortgagor resulting from any failure to let the Premises, or from any other act or omission of Mortgagee except to the extent such loss is caused by willful misconduct or bad faith. Mortgagor hereby consents to, ratifies and confirms the exercise by Mortgagee of said rights and remedies, and appoints Mortgagee as its attorney-in-fact, which appointment shall be deemed to be coupled with an interest and is irrevocable, for such purposes.

SECTION 5.03. Expenses. In any suit to foreclose this Mortgage or enforce any other right or remedy of Mortgagee under the Loan Documents, there shall be allowed and included as an addition to and a part of the Obligations in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred in connection with the exercise by Mortgagee of any of its rights and remedies provided or referred to in Section 5.02, and the same shall be secured by this Mortgage.

SECTION 5.04. Additional Provisions as to Remedies.

(a) All of the rights and remedies herein given to Mortgagee or otherwise available to Mortgagee shall be cumulative and may be exercised concurrently. Failure to exercise any one of the rights or remedies herein provided shall not constitute a waiver thereof by Mortgagee, nor shall

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the exercise of any such rights or remedies prevent the subsequent or concurrent resort to any other rights or remedies Mortgagee may have under the Loan Documents or the Guaranty or at law or in equity. To be effective, any waiver by Mortgagee must be in writing, and such waiver shall be limited in its effect to the condition or default specified therein, and no such waiver shall extend to any subsequent condition or default.

(b) Mortgagee shall not have any obligation to pursue any rights or remedies it may have under any other agreement prior to pursuing its rights or remedies under the Loan Documents.

(c) No recovery of any judgment by Mortgagee and no levy of an execution upon the Mortgaged Property or any other property of Mortgagor shall affect, in any manner or to any extent, the lien and security interest of this Mortgage upon the Mortgaged Property, or any liens, rights, powers or remedies of Mortgagee hereunder, and such liens, rights, powers and remedies shall continue unimpaired as before.

(d) Mortgagee may resort to any security given by this Mortgage or any other security now given or hereafter existing to secure the Obligations, in whole or in part, in such portions and in such order as Mortgagee may deem advisable, and no such action shall be construed as a waiver of any of the liens, rights or benefits granted hereunder.

(e) Acceptance of any payment after the occurrence of an Event of Default shall not be deemed a waiver or a cure of such Event of Default, and acceptance of any payment less than any amount then due shall be deemed an acceptance on account only.

(f) Nothing in the Loan Documents shall affect the obligations of Mortgagor to pay the Obligations in the manner and at the time and place herein or therein provided.

(g) In the event that Mortgagee shall have proceeded to enforce any right or remedy hereunder by foreclosure, sale, entry or otherwise, and such proceeding shall be discontinued, abandoned or determined adversely for any reason, then Mortgagor and Mortgagee shall be restored to their former positions and rights hereunder with respect to the Premises, subject to the lien hereof.

SECTION 5.05. Waiver of Rights and Defenses.

To the fullest extent permitted by law, Mortgagor hereby waives any and all defenses to payment and performance of the Obligations (other than full payment and performance thereof), including without limitation any defense based on any statute of limitations, and hereby agrees that no action taken by Mortgagee, including without limitation any extension of the time for payment or performance of any of the obligations, any modification of the interest rate applicable under the Loan Documents, any amendment or modification of any of the Loan Documents or the taking of additional collateral, or any failure by Mortgagee to act shall (other than as expressly provided in Article VI) in any way impair or release the lien of this Mortgage. Without limiting the foregoing, to the fullest extent permitted by law, Mortgagor:

(a) shall not, at any time, insist upon or plead or, in any manner whatsoever, claim, or take advantage of any stay, exemption or extension law or any so-called "Moratorium Law" (now or at any time hereafter in force) nor claim, take or insist upon any benefit or advantage of or from any law (now or hereafter in force) providing for the valuation or appraisal of the Mortgaged Property, or any part thereof, prior to any sale or sale thereof to be made pursuant to any provision herein contained or to any decree, judgment or order of any court of competent jurisdiction or after such sale or sale, claim or exercise any rights pursuant to any statute now or hereafter in force to redeem the Mortgaged Property so sold, or any part thereof, or relating to the marshalling thereof, upon foreclosure sale or other enforcement hereof;

(b) hereby expressly waives any and all rights of reinstatement and redemption from sale under any order or decree of foreclosure of this Mortgage, on its own behalf, and on behalf of all persons claiming or having an interest (direct or indirect) by, through or under Mortgagor and on behalf of each and every person acquiring any interest in or title to the Mortgaged Property subsequent to the date hereof, it being the intent of Mortgagor hereby that any and all such rights of redemption and reinstatement of Mortgagor and all other persons are and shall be deemed to be hereby waived to the fullest extent permitted by applicable law; and

(c) agrees that it will not, by invoking or utilizing any applicable law or laws or otherwise hinder, delay or impede the exercise of any right, power or remedy herein or otherwise granted or delegated to Mortgagee but will suffer and permit the exercise of every such right, power and remedy as though no such law or laws has, have been or will have been made or enacted.

SECTION 5.06. Additional Waivers. Mortgagor and Beneficiary hereby waive to the fullest extent permitted by applicable law:

(a) presentment, demand for payment, demand for performance, notice of non-performance, protest, notice of dishonor and/or protest, notice of non-payment, notice of any indulgences, extensions, consents or waivers given to Borrower, notice of the occurrence of any default or Event of Default, notice of any amendments, modifications, extensions or replacements of the Loan Agreement, the Note or any of the other Loan Documents, notice of acceptance of this Mortgage and, except as otherwise provided in this Mortgage, any other notice of any kind whatsoever;

(b) any right or claim of right to cause a marshalling of Borrower's assets or to cause Mortgagee to proceed against Mortgagor or Borrower or any other person or entity in any particular order;

(c) any right or claim of right to require Mortgagee to proceed against or exhaust any security held by Mortgagee from Borrower or any other person or entity to require Mortgagee to proceed against Borrower or any of Borrower's properties or assets or to proceed against any other Person or property prior to or simultaneously with Mortgagee's request for performance by Mortgagor under this Mortgage;

(d) until all sums payable under the Loan Agreement and the Note have been paid in full, any benefit of and any right to participate in any security now or hereafter held by Mortgagee from Borrower or any other person or entity;

(e) any requirement of diligence or promptness on Mortgagee's part in (i) making any claim or demand on or commencing suit against Borrower or any other person or entity, or (ii) otherwise enforcing Mortgagee's rights in respect of the obligations secured by this Mortgage;

(f) all defenses Mortgagor or Beneficiary may have based upon (i) any election of remedies by Mortgagee which destroys Mortgagor's or Beneficiary's subrogation rights or Mortgagor's or Beneficiary's rights to proceed against Borrower or any other person or entity for reimbursement, including any loss of rights that Mortgagor or Beneficiary suffers by reason of any rights, powers or remedies of Borrower or other parties in connection with any anti-deficiency laws or any other laws limiting, qualifying or discharging indebtedness of or remedies against Borrower,

(ii) any disability or other defense of Borrower, and (iii) any invalidity, illegality or unenforceability of the obligations secured by this Mortgage; and

(g) all defenses to which a surety or guarantor may be entitled, whether at common law, in equity or by statute (other than payment in full of all amounts payable under the Loan Agreement and the Notes).

Mortgagor and Beneficiary each represent, warrant and agree that each of the waivers set forth above are made with full knowledge of their significance and consequences, with the understanding that events giving rise to any defense waived may diminish, destroy or otherwise adversely affect rights which Mortgagor or Beneficiary otherwise may have against Borrower, Mortgagee or others, or against collateral or security, and that under the circumstances the waivers are reasonable.

ARTICLE VI

Release

SECTION 6.01. Release. If all amounts from time to time payable under the Loan Documents shall be paid in full as the same become due and payable and all obligations of performance under the Loan Documents are timely satisfied, then and in that event only all rights hereunder shall be terminated and the Mortgaged Property shall thereupon become wholly released and cleared of the liens, security interests, conveyances and assignments evidenced hereby. In such event, Mortgagee shall, at the request of Mortgagor, promptly deliver to Mortgagor, in recordable form, all such documents as shall be necessary to release the Mortgaged Property from the liens, security interests, conveyances and assignments evidenced hereby.

ARTICLE VII

Additional Provisions

SECTION 7.01. Construction of Provisions. The following rules of construction shall apply to the provisions of this Mortgage, unless the context otherwise clearly requires:

(a) All references herein to numbered Articles or Sections or to lettered Exhibits are references to the Articles and Sections hereof and the Exhibits annexed to this Mortgage, unless expressly otherwise designated in context.

(b) The terms "Premises" and "Mortgaged Property" shall be construed as if followed by the phrase "or any portion thereof."

(c) The term "Obligations" shall be construed as if followed by the phrase "or any other sums secured hereby, or any portion thereof".

(d) The term "person" shall include natural persons, firms, partnerships, corporations and any other public and private legal entities.

(e) All Article, Section and Exhibit captions herein are used for convenience and reference only and in no way define, limit or describe the scope or intent of, or in any way affect, this Mortgage.

(f) No inference in favor of, or against, any party shall be drawn from the fact that such party has drafted any portion hereof.

(g) The cover page of and all recitals set forth in, and all Exhibits to, this Mortgage are hereby incorporated in this Mortgage by this reference.

(h) All obligations of Mortgagor hereunder shall be performed and satisfied by or on behalf of Mortgagor at the sole cost and expense of Mortgagor and/or Beneficiary.

SECTION 7.02. Usury Savings Clause. Notwithstanding anything to the contrary contained in any of the Loan Documents, Mortgagor shall not be required to pay any interest hereunder to the extent receipt of such interest by Mortgagee would be usurious under the applicable laws of the State of Illinois relating to usury, and if Mortgagee receives any such interest which would be usurious under the applicable laws of the State of Illinois relating to usury, the receipt of any such interest, to the extent usurious, shall be deemed a mistake and applied against the principal amount of the Obligations or otherwise refunded, as appropriate.

SECTION 7.03. Severability. If one or more of the provisions contained in this Mortgage shall be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired.

SECTION 7.04. Notices. Any notice, request, demand, statement, authorization, approval or consent required or permitted under this Agreement shall be in

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writing and shall be made by, and deemed duly given upon, (a) deposit in the United States mail, postage prepaid, registered or certified, return receipt requested, such mailing to be effective 3 Banking Days (as defined in the Loan Agreement) after mailing, (b) personal delivery, (c) delivery by an overnight courier of recognized reputation (such as Federal Express) or (d) transmission by telecopier (with confirmation by mail) or to such other address and/or such additional parties as either party may specify by notice given in accordance with this Section 7.04:

If to Mortgagor: Chicago Title and Trust Company
111 West Washington Street
Chicago, Illinois 60602
Attention: Land Trust Dept.
Telecopier: (312) 630-2123

With a copy to: 123 Wacker Venture
555 South Flower Street
40th Floor
Los Angeles, California 90071
Attention: Takaji Kobayashi
Takeshi Shiratori
Telecopier: (213) 489-2762

With a copy to: Chris LaBarthe, Esq.
Shuwa Investments Corporation
555 South Flower Street
40th Floor
Los Angeles, California 90071
Telecopier: (213) 489-2762

If to Beneficiary: 123 Wacker Venture
555 South Flower Street
40th Floor
Los Angeles, California 90071
Attention: Takaji Kobayashi
Takeshi Shiratori
Telecopier: (213) 489-2762

With a copy to: Chris LaBarthe, Esq.
Shuwa Investments Corporation
555 South Flower Street
40th Floor
Los Angeles, California 90071
Telecopier: (213) 489-2762

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If to Mortgagee: The Sumitomo Trust & Banking
Co., Ltd.
Los Angeles Agency
333 South Grand Avenue
Suite 5300
Los Angeles, California 90071
Attention: M. Takeuchi
Telecopier: (213) 613-1083

SECTION 7.05. No Merger.

(a) If both the lessor's and the lessee's interest under any Lease shall at any time become vested in any one person, this Mortgage and the lien and security interest created hereby shall not be destroyed or terminated by the application of the doctrine of merger and, in such event, Mortgagee shall continue to have and enjoy all of the rights and privileges of Mortgagee hereunder as to each separate estate.

(b) Upon the foreclosure of the lien and security interest created hereby on the Mortgaged Property, as herein provided, any leases then existing shall not be destroyed or terminated by application of the doctrine of merger or as a matter of law or as a result of such foreclosure unless Mortgagee or any purchaser at a foreclosure sale shall so elect by notice to the lessee in question.

SECTION 7.06. Governing Law and Adjudication.

This Mortgage is governed by and shall be construed in accordance with the laws (other than that body of law relating to conflicts of law) of the State of Illinois. Mortgagor hereby irrevocably consents that any legal action or proceeding against it or any of its property arising out of or in any way connected with this Mortgage or the other Loan Documents may be instituted in any state or United States federal court located in Chicago, Illinois or Los Angeles, California and by execution and delivery of this Mortgage the Mortgagor hereby irrevocably submits to the non-exclusive jurisdiction of the aforesaid courts in any such legal action or proceeding. Mortgagor further irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by United States registered air mail, postage prepaid, to Mortgagor at its address set forth in Section 7.04. The foregoing, however, shall not limit the right of Mortgagee to serve process in any other manner permitted by law or to commence any legal action or proceeding or to obtain execution of judgment in any other appropriate jurisdiction.

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SECTION 7.07. Authorization to Serve, File or Record Notices. Mortgagor hereby irrevocably appoints, designates, empowers and authorizes Mortgagee as the attorney-in-fact of Mortgagor (coupled with an interest, with full power of substitution) to serve, file and/or record any notices that Mortgagee may deem necessary to serve, file and/or record on behalf of Mortgagor to protect any of the interests of Mortgagee under the provisions of the Loan Documents. Such appointment creates no obligation or duty upon Mortgagee to file, report or serve any such notice, or to take or refrain from taking any action to protect such interests. Where permitted by applicable law, Mortgagor hereby authorizes Mortgagee to file one or more financing or continuation statements, and amendments thereto, relative to the Mortgaged Property.

SECTION 7.08. Sole Discretion of Mortgagee. Whenever Mortgagee's judgment, consent or approval is required hereunder for any matter, or Mortgagee shall have an option or election hereunder, such judgment, decision as to whether or not to consent to or approve the same or exercise of such option or election shall be in the sole discretion of Mortgagee.

SECTION 7.09. Provisions as to Covenants and Agreements. All of Mortgagor's covenants and agreements hereunder shall run with the Land and time is of the essence with respect thereto.

SECTION 7.10. Written Instruments. This Mortgage cannot be altered, amended, modified, terminated or discharged except in a writing signed by the party against whom enforcement of such alteration, amendment, modification, termination or discharge is sought. No waiver, release or other forbearance by Mortgagee will be effective against Mortgagee unless it is in writing signed by Mortgagee, and then only to the extent expressly stated.

SECTION 7.11. Assignability. This Agreement and the other Loan Documents shall be binding upon and shall be enforceable by the parties hereto and their respective transferees, successors and assigns. Mortgagee may assign and grant participations in the Loan and any or all of its rights under the Loan Documents. Mortgagor and Beneficiary shall not assign or delegate any of their respective rights or obligations hereunder without the prior written consent of Mortgagee.

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SECTION 7.12. Counterparts. This Mortgage may be signed in any number of counterparts. Any single counterpart or set of counterparts signed, in either case, by the parties hereto shall constitute a full and complete agreement.

SECTION 7.13. No Third Party Beneficiary. This Mortgage and the other Loan Documents create rights and duties only among the parties hereto and thereto, and except as contemplated with respect to assignees, transferees or participants of Mortgagee, no other party shall have any rights hereunder or under any of the other Loan Documents or in or to the Loan.

ARTICLE VIII

Provisions as to Trustee

SECTION 8.01. Exculpation. This Mortgage is executed by Mortgagor solely in its capacity as trustee, and the parties hereto hereby expressly agree that nothing contained in the Loan Agreement, the Note or this Mortgage shall be construed as creating any liability on the part of Mortgagor or its agents or employees to pay the Note or any interest accrued thereunder or any indebtedness under the Loan Agreement, the Note or this Mortgage, or to perform any covenant, express or implied, in the Loan Agreement, the Note or this Mortgage, all such liability, if any, being expressly waived by Mortgagee for itself and for every other person or entity now or hereafter claiming any right or security under the Loan Agreement, the Note or this Mortgage. Mortgagor and Mortgagee hereby acknowledge that so far as Mortgagor is concerned, the legal holder or holders of the Note and the owner or owners of any indebtedness under the Loan Agreement, the Note or this Mortgage shall look to any or all of the following for the payment of any of the foregoing: (a) to the Mortgaged Property and the enforcement of the lien created by this Mortgage and the Assignment of Beneficial Interest (as defined in the Loan Agreement), (b) to any other collateral securing the payment of the Note, (c) to the

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personal liability of Beneficiary under the Loan Documents, and (d) to the personal liability of the Guarantor under the Guaranty (as such terms are defined in the Loan Agreement).

IN WITNESS WHEREOF, Mortgagor and Beneficiary have executed this Mortgage as of the date first above written.

CHICAGO TITLE AND TRUST COMPANY, solely in its capacity as Trustee ("Mortgagor")

IN WITNESS WHEREOF, Chicago Title and Trust Company, not personally but as Trustee as aforesaid, has caused these presents to be signed by its Assistant Vice-President, and its corporate seal to be hereunto affixed and attested by its Assistant Secretary, the day and year first above written.

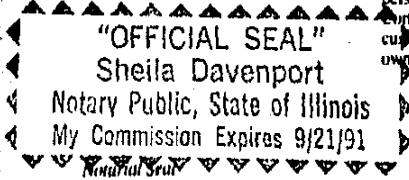
CHICAGO TITLE AND TRUST COMPANY, As Trustee as aforesaid and not personally, By: [Signature] ASSISTANT VICE-PRESIDENT Attest: [Signature] ASSISTANT SECRETARY

Corporate Seal

STATE OF ILLINOIS, COUNTY OF COOK

SS.

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY, that the above named Assistant Vice President and Assistant Secretary of the CHICAGO TITLE AND TRUST COMPANY, Grantor personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Assistant Vice President and Assistant Secretary respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Company for the uses and purposes therein set forth; and the said Assistant Secretary then and there acknowledged that said Assistant Secretary, as custodian of the corporate seal of said Company, caused the corporate seal of said Company to be affixed to said instrument as said Assistant Secretary's own free and voluntary act and as the free and voluntary act of said Company for the uses and purposes therein set forth



Given under my hand and Notarial Seal this OCT 11 1990 day of Notary Public [Signature]

NF86-1

SHUWA WACKER CORPORATION, an Illinois corporation

By: [Signature] Title: president

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Property of Cook County Clerk's Office

Title: President
By: [Signature]
SHUMA WACKER CORPORATION,
an Illinois corporation

Title: President
By: [Signature]
SHUMA CORPORATION OF CHICAGO,
an Illinois corporation

123 WACKER VENTURE,
an Illinois general partnership
("Beneficiary")
By: Its General Partners

IN WITNESS WHEREOF, Mortgagor and Beneficiary
have executed this Mortgage as of the date first above

personal liability of Beneficiary under the Loan Documents,
and (d) to the personal liability of the guarantor under the
guaranty (as such terms are defined in the Loan Agreement).

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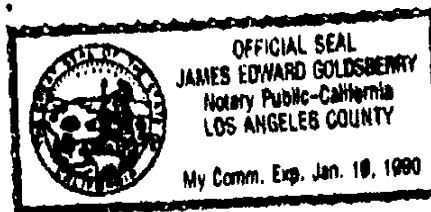
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STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On September 29, 1989, before me, the undersigned, a Notary Public in and for said State, personally appeared Takaji Kobayashi, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the President of SHUWA WACKER CORPORATION, an Illinois corporation, the corporation that executed the within instrument on behalf of 123 WACKER VENTURE, an Illinois general partnership, the partnership that executed the within instrument, and acknowledged to me that such corporation executed the same as such partner and that such partnership executed the same.

WITNESS my hand and official seal.

James Edward Goldsberry
Signature

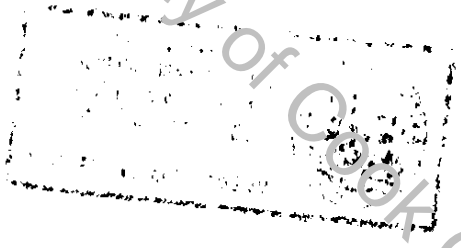


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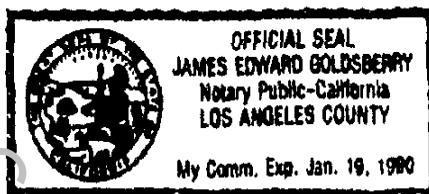
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STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On September 29, 1989, before me, the undersigned, a Notary Public in and for said State, personally appeared Takaji Kobayashi, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the President of SHUWA CORPORATION OF CHICAGO, an Illinois corporation, the corporation that executed the within instrument on behalf of 123 WACKER VENTURE, an Illinois general partnership, the partnership that executed the within instrument, and acknowledged to me that such corporation executed the same as such partner and that such partnership executed the same.

WITNESS my hand and official seal.

James Edward Goldsberry
Signature



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EXHIBIT A

Description of Land

West 1/2 of Lot 3 and east 1/4 of Lot 4 and Sub Lots 1 to 4 inclusive, in the resubdivision of the west 3/4 of Lot 4 all in Block 42 in original town of Chicago in south east 1/4 of Section 9, Township 39 North, Range 14 east of the third principal meridian, in Cook County, Illinois.

PIN: 17-09-441-007

ADDRS: 123 N. WACKERL, CHICAGO, IL

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EXHIBIT B

Permitted Exceptions

Exception Nos. 1, 2, 7, 8, 10, 11 and 12 of Chicago
Title Insurance Company preliminary title report No. 72-14-
076 dated July 24, 1989.

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