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Loan No. 89016163

LEASEHOLD MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

THIS LEASEHOLD MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT ("Mortgage") is made as of November 1, 1988, by

Initials:

JS

223 W. Ontario Associates, Ltd.,
an Illinois Limited Partnership, whose mailing
address is 223 W. Ontario, Chicago, Illinois 60610;

(Mortgagor(s)) in favor of ("Mortgagee") Capitol Bank and Trust, whose mailing address is 4801 W. Fullerton, Chicago, Illinois 60639. Mortgagor(s) are justly indebted to the Mortgagee in the principal sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) evidenced by a certain PROMISSORY NOTE of even date herewith ("Note"), which Note contains a variable rate of interest, as provided in said Note, which is incorporated herein by reference as if fully set forth, made payable to the order of and delivered to the Mortgagee, whereby the obligor promises to pay the Note, late charges, prepayment premiums and interest at the rate or rates, all as provided in the Note under such terms and conditions as are set forth in the Note and a certain loan agreement dated November 1, 1988 ("Loan Agreement") between Mortgagor and Mortgagee. Such loan (hereinafter referred to as the "Loan") is to be secured by certain "Collateral," as such term is defined in the Loan Agreement (paragraph 4B, C and D). The Sub-leasehold estate mortgaged hereby constitutes a part of such collateral. The final payment of principal and interest, if not sooner paid, shall be due on April 30, 1989. All such payments on account of the indebtedness secured hereby shall be applied first to interest on the unpaid principal balance of the Note, secondly to any other sums due thereunder, thirdly to all other advances and sums secured hereby, and the remainder to principal. Mortgagor, in order to secure the payment of said principal sum of money and said interest and late charges and prepayment premiums in accordance with the terms, provisions and limitations of this Leasehold Mortgage and of the Note, and the performance of the covenants and agreements herein contained by the Mortgagor to be performed, and also in consideration of the sum of ONE DOLLAR (\$1.00) in hand paid, the receipt whereof is hereby acknowledged, Mortgagor does by these presents MORTGAGE, GRANT, REMISE, RELEASE, ALIEN AND CONVEY unto the Mortgagee and its successors and assigns, the following described leasehold estate and all of its present and hereafter-acquired estate right, title and interest therein, situated, lying and being in the County of Cook and State of Illinois to wit:

Prepared By and Return To: Simpson, Cybak & Torres
77 W. Washington, Suite 1313
Chicago, Illinois 60602

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

The real estate wherein the collateral lies is commonly known as 223-225 Ontario, Chicago, Illinois 60610 and referred to herein as the "Premises."

TOGETHER with all improvements, tenements, reversioners, remainders, easements, fixtures and appurtenances now or hereafter thereto belonging, and all rents, issues and profits thereof for so long and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said leasehold estate and not secondarily); all tenant security deposits, utility deposits and insurance premium rebates to which Mortgagor may be entitled or which Mortgagor may be holding; and all fixtures, apparatus, equipment and articles now existing or hereinafter installed which relate to the use, occupancy, and enjoyment of the Premises (this also includes all materials or items bought and/or stored, whether on site or elsewhere to be used on the premises).

All of the sub-lease, estate and property hereinabove described, personal and mixed, whether affixed or annexed or not (except where otherwise hereinabove specified) and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared (to the maximum extent permitted by law) to not form part and parcel of the real estate and to not be appropriated to the use of the real estate, and shall not be, for the purposes of this Mortgage, deemed to be real estate.

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

As further security for the Loan and an additional collateral and repayment of the Note, Mortgagor has executed and delivered to Mortgagee a Construction Loan Agreement, Security Agreement, Assignment of Leases, Rents, Income and Profits relating to the Premises, and certain other documents evidencing, securing and relating to the Loan, all the terms of which are incorporated herein, as if made simultaneously herewith, and the occurrence of an event of default under any Note, the Construction Loan Agreement or other security document, shall be deemed as a default hereunder.

Mortgagor covenants that Mortgagor is lawfully seized of the estate conveyed and has the right to mortgage, grant, and convey the Estate; provided that no such mortgage shall extend to or affect the fee, the reversionary interest, or the estate of the owner of the real estate and this instrument shall at all times remain subject and subordinate to the loan of any existing Lease on the real estate, that the Estate is unencumbered, with the exception of those items, if any, listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Premises, and that Borrower will warrant and defend generally the title to the Estate against all claims and demands, subject to any encumbrances, declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Premises.

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With respect to the Sub-Lease more particularly described in Schedule A annexed hereto (hereinafter "Sub-Lease"), the Mortgagor hereby warrants and represents as follows:

(a) It is in full force and effect, unmodified by any writing or otherwise.

(b) All rent, additional rent and other charges reserved therein have been paid to the extent they are payable to the date hereof;

(c) The Mortgagor enjoys the quiet and peaceful possession of the property demised thereby;

(d) The Mortgagor is not in default under any of the terms thereof and, to the best of its knowledge, there are no circumstances which, with the passage of time or the giving of notice or both, would constitute an event of default thereunder.

(e) To the best of its knowledge the landlord under the Sub-Lease is not in default under any of the terms or provisions thereof on the part of the landlord to be observed or performed.

Furthermore, with respect to the Sub-Lease, the Mortgagor covenants and agrees as follows:

(a) To promptly and faithfully observe, perform and comply with all the terms, covenants and provisions thereof on its part to be observed, performed and complied with, at the times set forth therein, without any allowance for grace periods, if any;

(b) Not to do, permit, suffer or refrain from doing anything as a result of which there could be a default under or breach of any of the terms thereof;

(c) Not to cancel, surrender, modify, amend or in any way alter or permit the alteration of any of the terms thereof;

(d) To give the Mortgagee immediate notice of any default by anyone thereunder and to promptly deliver to the Mortgagee each notice of default and all other notices, communications, plans, specifications and other similar instruments received or delivered by the Mortgagor in connection herewith;

(e) To furnish to the Mortgagee copies of such information and evidence as the Mortgagee may reasonably require concerning the Mortgagor's due observance, performance and compliance with the terms, covenants and provisions thereof;

(f) That any default of any Lessee thereunder shall constitute a default under this Mortgage.

In the event of any default by the Mortgagor in the performance of any of its obligations under the Sub-Lease, including, without limitation, any default in the payment of rent and other charges and impositions made payable

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By the Lessee thereunder, then, in each and every case, the Mortgagee may, at its option and without notice, cause the default or defaults to be remedied and otherwise exercise any and all of the rights of the Mortgagor thereunder in the name of and on behalf of the Mortgagor. The Mortgagee shall, on demand, reimburse the Mortgagee in curing any such default (including, without limitation, reasonable attorney fees), together with interest thereon computed at the rate or rates, as are provided in the Note from the date that an advance is made or expense is incurred, to and including the date same is paid.

The Mortgagor shall give the Mortgagee notice of its intention to exercise each and every option to extend the term of the Sub-Lease, at least thirty (30) but not more than sixty (60) days prior to the expiration of the time to exercise such option under the terms thereof. If the Mortgagor intends to extend the term of the Sub-Lease, it shall deliver to the Mortgagee with the notice of such decision, a copy of the notice of extension delivered to the landlord thereunder. If the Mortgagee does not intend to extend the term of the Sub-Lease, the Mortgagee may, at its option, exercise the option to extend in the name of and on behalf of the Mortgagor or in the name of the Mortgagee's Nominee. In any event, the Mortgagor hereby appoints the Mortgagee its attorney-in-fact to execute and deliver, for and in the name of the Mortgagor, all instruments and agreements necessary under the Sub-Lease or otherwise to cause any extension of the term thereof. This power, being coupled with an interest, shall be irrevocable as long as the indebtedness remains unpaid.

It is hereby agreed that the fee title and the leasehold estate in the property devised by the Sub-Lease shall not merge but shall always be kept separate and distinct, notwithstanding the union of said estates in either the landlord thereunder, the Mortgagor or a third party, whether by purchase or otherwise. If the Mortgagor acquires the fee title or any other estate, title or interest in the property devised by the Sub-Lease, or any part thereof, the lien of this Mortgage shall attach to, cover and be a lien upon such acquired estate, title or interest and same shall thereupon be and become a part of the Mortgaged Property with the same force and effect as if specifically encumbered herein. The Mortgagee agrees to execute all instruments and documents which the Mortgagee may reasonably require to ratify, confirm and further evidence the Mortgagee's lien on the acquired estate, title or interest. Furthermore, the Mortgagor hereby appoints the Mortgagee its true and lawful attorney-in-fact to execute and deliver all such instruments and documents in the name and on behalf of the Mortgagor. This power, being coupled with an interest, shall be irrevocable as long as the indebtedness remains unpaid.

If the Sub-Lease is cancelled or terminated, and if the Mortgagee or its nominee shall acquire an interest in any new lease of the property devised thereby, the Mortgagor shall have no right, title or interest in or to the new lease or the leasehold estate created by such new lease.

The Mortgagor shall use its best efforts to obtain and deliver to the Mortgagee on the date hereof, an estoppel certificate from the landlord under the Sub-Lease and from the Owner of the premises under any underlying lease setting forth:

- (a) The name of the Lessee thereunder;

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(b) That the Lease or Sub-Lease has not been modified, or, if it has been modified, the date of each modification (together with copies of each such modification);

(c) The basic rent payable under the Lease and Sub-Lease;

(d) The date to which all rental charges have been paid by the Lessee under the Lease and Sub-Lease; and

(e) Whether there are any alleged defaults of the tenant under the Lease or Sub-Lease, and if there are, setting forth the nature thereof in reasonable detail.

Notwithstanding anything to the contrary contained herein, this Mortgage shall not constitute an assignment of the Sub-Lease within the meaning of any provision thereof prohibiting its assignment, and the Mortgagee shall have no liability or obligation thereunder by reason of its acceptance of this Mortgage. The Mortgagee shall be liable for the obligations of the tenant arising under the Sub-Lease for only that period of time which the Mortgagee is in possession of the Premises or has acquired, by foreclosure or otherwise, and is holding all of the Mortgagor's right, title and interest therein.

IT IS FURTHER COVENANTED UNDERSTOOD AND AGREED THAT:

1. MAINTENANCE, REPAIR AND RESTORATION OF IMPROVEMENTS, PAYMENT OF PRIOR LIENS, PRINCIPAL AND INTEREST, ETC. Mortgagor shall: (a) promptly repair, restore or rebuild any buildings and other improvements now or hereafter on the Premises which may become damaged or destroyed to substantially the same character as prior to such damage or destruction, without regard to the availability or adequacy of any casualty insurance proceeds or eminent domain awards; (b) keep the Premises constantly in good condition and repair, without waste; (c) keep the Premises free from mechanics' liens or other liens or claims for lien not expressly subordinated to the lien hereof (collectively called "Liens"), subject, however, to the rights of the Mortgagor set forth in the next Paragraph below; (d) immediately pay when due any indebtedness which may be secured by a lien or charge on the Premises on a parity with or superior to the lien hereof (no such subsequent lien to be permitted hereunder) and upon request exhibit satisfactory evidence of the discharge of such lien to Mortgagee; (e) complete within a reasonable time any building(s) or other improvement(s) now or at any time in process of erection upon the Premises; (f) comply with all federal, state and local requirements of law, regulations, ordinances, orders and judgments and all covenants, easements and restrictions of record with respect to the Premises and the use thereof; (g) make no alterations in the Premises without Mortgagee's prior written consent; (h) suffer or permit no change in the general nature of the occupancy of the Premises without Mortgagee's prior written consent; (i) observe and comply with all conditions and requirements (if any) necessary to preserve and extend all rights, easements, licenses, permits (including without limitation zoning variations and any non-conforming uses and structures), privileges, franchises and concessions applicable to the Premises or contracted for in connection with any present or future use of the Premises; and (k) pay each item of indebtedness secured by this Mortgage when due without set-off, recoupment, or deduction according to

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the terms hereof and of the Note. As used in this Paragraph and elsewhere in this Mortgage, the term "Indebtedness" means and includes the unpaid principal sum evidenced by the Note, together with all interest, additional interest, late charges and prepayment premiums thereon, and all other sums at any time secured by this Mortgage.

Anything in (c) and (d) above to the contrary notwithstanding, Mortgagor may, in good faith and with reasonable diligence, contest the validity or amount of any lien not expressly subordinated to the lien hereof, and defer payment and discharge thereof during the pendency of such contest, provided: (i) that such contest shall have the effect of preventing the sale or forfeiture of the Premises or any part thereof, or any interest therein, to satisfy such lien; (ii) that, within ten (10) days after Mortgagor has been notified of the assertion of such lien, Mortgagor shall have notified Mortgagee in writing of Mortgagor's intention to contest such lien; and (iii) that Mortgagor shall have deposited with Mortgagee, a sum of money which shall be sufficient in the judgment of Mortgagee to pay in full such lien and all interest which might become due thereon, and shall keep on deposit an amount so sufficient at all times, increasing such amount to cover additional interest whenever, in the judgment of Mortgagee, such increase is advisable. Such deposits are to be held without any allowance of interest. If Mortgagor shall fail to prosecute such contest with reasonable diligence or shall fail to pay the amount of the lien plus any interest finally determined to be due upon the conclusion of such contest, to the extent such amount exceeds the amount which Mortgagee will pay as provided below or shall fail to maintain sufficient funds on deposit as hereinabove provided, Mortgagee may, at its option, apply the money so deposited in payment of or on account of such lien, or that part thereof then unpaid, together with all interest thereon. If the amount of money so deposited shall be insufficient for the payment in full of such lien, together with all interest thereon, Mortgagor shall forthwith, upon demand, deposit with Mortgagee a sum which, when added to the funds then on deposit, shall be sufficient to make such payment in full. Mortgagee shall, upon the final disposition of such contest, apply the money so deposited in full payment of such lien or that part thereof then unpaid (provided Mortgagor is not then in default hereunder) when so requested in writing by Mortgagee and when furnished by Mortgagor with sufficient funds to make such payment in full and with evidence satisfactory to Mortgagee of the amount of payment to be made.

2. PAYMENT OF TAXES. Mortgagor shall pay all general taxes before any penalty or interest attaches, and shall pay special taxes, special assessments, water charges, sewer service charges, and all other charges against the Premises of any nature whatsoever when due, and shall, upon written request, furnish to Mortgagee duplicate receipts therefor within thirty (30) days following the date of payment.

Mortgagor shall pay in full "under protest" any tax or assessment which Mortgagor may desire to contest, in the manner provided by law.

3a. TAX DEPOSITS. Mortgagor shall deposit with the Mortgagee, commencing on the date of disbursement of the proceeds of the loan secured hereby and on the first day of each month following the month in which said disbursement occurs (unless waived by Mortgagee in writing), a sum equal to the amount of all real estate taxes and assessments (general and special) next due upon or for the Premises (the amount of such taxes next due to be based

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upon the Mortgagee's reasonable estimate, as to the amount of taxes and assessments to be levied and assessed) reduced by the amount, if any, then on deposit with the Mortgagee, divided by the number of months to elapse before two months prior to the date when such taxes and assessments will first become due and payable. Such deposits are to be held without any allowance or payment of interest to Mortgagor and are to be used for the payment of taxes and assessments (general and special) on the Premises next due and payable when they become due. If the funds so deposited are insufficient to pay any such taxes or assessments (general or special) when the same become due and payable, the Mortgagor shall, within ten (10) days after receipt of demand therefor from the Mortgagee, deposit such additional funds as may be necessary to pay such taxes and assessments (general and special) in full. If the funds so deposited exceed the amount required to pay such taxes and assessments (general and special) for any year, the excess shall be applied on a subsequent deposit or deposits. Said deposits need not be kept separate and apart from any other funds of the Mortgagee.

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

If any such taxes or assessments (general or special) shall be levied, charged, assessed or imposed upon or for the Premises, or any portion thereof and if such taxes or assessments shall also be a levy, charge, assessment or imposition upon or for any other premises not encumbered by the lien of this Mortgage, then the computation of any amount to be deposited under this Paragraph 3 shall be based upon the entire amount of such taxes or assessments, and Mortgagor shall not have the right to apportion the amount of any such taxes or assessments for the purpose of such computation.

3b. INSURANCE DEPOSITS. For the purpose of providing funds with which to pay premiums when due on all policies of fire and other hazard insurance covering the Premises and the Collateral (defined below) and unless waived by Mortgagee in writing, Mortgagor shall deposit with the Mortgagee, commencing on the date of disbursement of the proceeds of the loan secured hereby and on the first day of each month following the month in which said disbursement occurs (unless otherwise agreed to by Mortgagee), a sum equal to the Mortgagee's estimate of the premiums that will next become due and payable on such policies reduced by the amount, if any, then on deposit with the Mortgagee, divided by the number of months to elapse before two (2) months prior to the date when such premiums become due and payable. No interest shall be allowed or paid to Mortgagor on account of any deposit made hereunder and said deposit need not be kept separate and apart from any other funds of the Mortgagee.

4. MORTGAGEE'S INTEREST IN AND USE OF TAX AND INSURANCE DEPOSITS; SECURITY INTEREST. In the event of a default hereunder, the Mortgagee may, at its option but without being required so to do, apply any monies at the time of deposit pursuant to Paragraph 3a and 3b hereof on any of Mortgagor's obligations contained herein or in the Note, in such order and manner as the Mortgagee may elect. When the Indebtedness has been fully paid, any remaining deposits shall be paid to Mortgagor or to the thenowner or owners of the

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Premises as the same appear on the records of the Mortgagee. A security interest, within the meaning of the Uniform Commercial Code of the State in which the Premises are located, is hereby granted to the Mortgagee in and to all monies at any time on deposit pursuant to Paragraphs 3a and 3b hereof and such monies and all of Mortgagor's right, title and interest therein are hereby assigned to Mortgagee, all as additional security for the Indebtedness hereunder and shall, in the absence of default hereunder, be applied by the Mortgagee for the purposes for which made hereunder and shall be subject to the direction or control of the Mortgagor; provided, however, that Mortgagee shall not be liable for any failure to apply to the payment of taxes or assessments or insurance premiums any amount so deposited unless Mortgagor, while not in default hereunder, shall have furnished Mortgagee with the bills therefor and requested Mortgagee in writing to make application of such funds to the payment of the particular taxes or assessments or insurance premiums for payment of which they were deposited, accompanied by the bills for such taxes or assessments or insurance premiums. Mortgagee shall not be liable for any act or omission taken in good faith, but only for its gross negligence or willful misconduct.

5. INSURANCE. Mortgagor shall keep all buildings and improvements and the Collateral (defined in Paragraph 27 below) now or hereafter situated on said Premises insured against loss or damage by fire on a so-called "All Risks" basis and against such other hazards as may reasonably be required by Mortgagee, such protection is necessary; and (b) flood insurance whenever same is available and, in the opinion of Mortgagee, such protection is necessary. Mortgagor shall also provide insurance coverages with such limits for personal injury and death and property damage as Mortgagee may require. All policies of insurance to be furnished hereunder shall be in forms, companies and amounts satisfactory to Mortgagee, with waiver of subrogation and replacement cost endorsements and a standard non-contributory mortgagee clause attached to all policies, including a provision requiring that the coverages evidenced thereby shall not be terminated or materially modified without thirty (30) days' prior written Notice to the mortgagor. Mortgagor shall deliver all original policies, including additional and renewal policies, to Mortgagee and, in the case of insurance about to expire, shall deliver renewal policies not less than thirty (30) days prior to their respective dates of expiration.

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

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

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6. ADJUSTMENT OF LOSSES WITH INSURER AND APPLICATION OF PROCEEDS OF INSURANCE. In case of the loss or damage by fire or other casualty, Mortgagee and Mortgagor are authorized: (a) to settle and adjust any claim under insurance policies which insure against such risks; or (b) to allow Mortgagor to agree with the insurance company or companies on the amount to be paid in regard to such loss. In either case, Mortgagee is authorized to collect and receipt for any such insurance monies. So long as: (a) each lease applicable to the Premises is in full force and effect and each tenant thereunder is not in default and such loss or damage shall not result in the termination or cancellation or any of those leases or give any tenant thereunder the right to terminate or cancel its lease; (b) no insurer denies liability as to any insured or claims any right of participation in any of the Mortgagee's security; and (c) no event of default exists hereunder, then such insurance proceeds, after deducting therefrom any expense incurred by Mortgagee in the collection thereof, shall be made available by the Mortgagee for the repair, rebuilding or restoration of the other improvement(s) on the Premises. In all other cases, such insurance proceeds may, at the option of the Mortgagee, be (a) applied in reduction of the Indebtedness, whether due or not; or (b) held by the Mortgagee and used to reimburse Mortgagor (or any lessee) for the cost of the repair, rebuilding or restoration of the building(s) and other improvement(s) on the premises. In any event, the building(s) and other improvement(s) shall be so repaired, restored or rebuilt so as to be of at least equal value and substantially the same character as prior to such damage or destruction. If the insurance proceeds are made available for repair, rebuilding or restoration, such proceeds shall be disbursed upon the "Disbursing Party" (hereinafter defined) being furnished with satisfactory evidence of the cost of completion thereof and with architects' certificates, waivers of lien, contractors' and subcontractors' sworn statements, title continuations and other evidence of cost and payments so that the Disbursing Party can verify that the amounts disbursed from time to time are represented by completed and in-place work and that said work is free and clear of mechanics' lien claims. No payment made prior to the final completion of the work shall exceed ninety per cent (90%) of the value of the work performed from time to time, and at all times the undisbursed balance of such proceeds remaining in the hands of the Disbursing Party shall be at least sufficient to pay for the cost of completion of the work free and clear of liens. If the cost of rebuilding, repairing and other improvements may reasonably exceed the sum of FIFTY THOUSAND DOLLARS (\$50,000.00), then the Mortgagee must approve plans and specifications of such work before such work shall be commenced. Any surplus which may remain out of said insurance proceeds, after payment of the cost of repair, rebuilding, restoration and the reasonable charges of the Disbursing Party, shall, at the option of the Mortgagee, be applied on account of the Indebtedness or paid to any party entitled thereto as the same appear on the records of the Mortgagee. No interest shall be allowed to Mortgagor on any proceeds of insurance held by the Disbursing Party.

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

7. STAMP TAX; EFFECT OF CHANGES IN LAWS REGARDING TAXATION. If, by the laws of the United States of America or of any state or subdivision

89016163

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thereof having jurisdiction over the Mortgagor, any tax is due or becomes due in respect to the Note or this Mortgage, the Mortgagor covenants and agrees to pay such tax in the manner required by any such law. The Mortgagor further covenants to reimburse the Mortgagee for any sums which Mortgagee may expend by reason of the imposition of any tax on the issuance of the Note.

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

8. OBSERVANCE OF LEASE ASSIGNMENT. As additional security for the payment of the Note and for the faithful performance of the terms and conditions contained herein, Mortgagor and its beneficiary or beneficiaries, if applicable, do hereby assign to the Mortgagee all of their right, title and interest as landlords in and to the present leases and all future leases of the Premises. All leases of the Premises are subject to the approval of the Mortgagee as to form, content and tenancy.

Mortgagor will not and Mortgagor's beneficiary or beneficiaries, if applicable, will not, without Mortgagee's prior written consent: (i) execute any assignment or pledge of any rents or any leases of the Premises except an assignment or pledge securing the indebtedness in favor of Mortgagee; or (ii) accept any payment of any installment of rent more than thirty (30) days before the due date thereof; or (iii) make any lease of the Premises except for actual occupancy by the tenant thereunder.

Mortgagor shall not and the beneficiary of Mortgagor, if any, shall not enter into or permit to be entered into any management contract, assignment or sublease of any lease, license or concession pertaining to the Premises as it pertains to the real estate without the prior written approval of Mortgagee having first been obtained and following such approval shall not amend or modify the same without further written approval of Mortgagee.

Mortgagor at its sole cost and expense will: (i) at all times promptly and faithfully abide by, discharge and perform all of the covenants, conditions and agreements contained in all leases of the Premises, on the part of the landlord thereunder to be kept and performed; (ii) enforce or secure the performance of all the covenants, conditions and agreements of such leases on the part of the tenants to be kept and performed, but Mortgagor shall not and Mortgagor's beneficiary or beneficiaries, if any, shall not modify, amend, cancel, terminate or accept surrender of any lease without prior written consent of Mortgagee; (iii) appear in and defend any action or proceeding arising under, growing out of or in any manner connected with such leases or

89016163

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the obligations, duties or liabilities of the landlord or of any tenants thereunder; (iv) transfer and assign or cause to be separately transferred and assigned to Mortgagee, upon written request of Mortgagee, any lease or leases of the Premises heretofore or hereafter entered into, and make, execute and deliver to Mortgagee upon demand, any and all instruments required to effectuate said assignment; (v) furnish Mortgagee, within ten (10) days after a request by Mortgagee to do, a written statement containing the names of all tenants and the terms of all leases of the Premises, including the spaces occupied and the rentals payable thereunder; and (vi) exercise within five (5) days of any demand therefor by Mortgagee any right to request from the tenant under any lease of the Premises a certificate with respect to the status thereof.

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

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

In the event of the enforcement by Mortgagee of any remedies provided for by law or by this Mortgage, the tenant under each lease of the Premises shall, at the option of the Mortgagee, return to any person succeeding to the interest of landlord as a result of such enforcement and shall recognize such successor in interest as landlord under such lease without change in the terms or other provisions thereof; provided, however, that said successor in interest shall not be bound by any payment of rent or additional rent for more than one month in advance or any amendment or modification to any lease made without the consent of Mortgagee or said successor in interest. Each tenant, upon request by said successor in interest, shall execute and deliver an instrument or instruments confirming such attornment.

Mortgagee shall have the option to declare this Mortgage in default because of a material default of landlord in any lease which has not been cured by landlord within any applicable cure period of the Premises, whether or not such default is cured by Mortgagee pursuant to the right granted herein. It is covenanted and agreed that a default under any Assignment of Rents or Leases executed pursuant to this Paragraph 8, or otherwise, shall constitute a default hereunder, on account of which the whole of the indebtedness secured hereby shall at once, at the option of the Mortgagee, become immediately due and payable, without notice to the Mortgagor.

9. MORTGAGOR AND LIEN NOT RELEASED From time to time Mortgagee may, at Mortgagee's option, without giving notice to or obtaining the consent of Mortgagor, its beneficiary, or Mortgagor's successors or assigns or the consent of any junior lien holder, guarantor or tenant, without liability on Mortgagee's part and notwithstanding Mortgagor's breach of any covenant,

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agreement or condition: (a) release anyone primarily or secondarily liable on any of the Indebtedness; (b) accept a renewal note or notes of the Note; (c) release from the lien of this Mortgage any part of the Premises; (d) take or release other or additional security for the Indebtedness; (e) consent to any plat, map or plan of the Premises or Declaration of Condominium as to the Premises (in whole or in part); (f) consent to the granting of any easement; (g) join in any extension or subordination agreement; (h) agree in writing with Mortgagor to modify the rate of interest or period of amortization of the Note or change the time of payment or the amount of the installments payable thereunder; and (i) waive or fail to exercise any right, power or remedy granted by law or herein or in any other instrument given at any time to evidence or secure the payment of the Indebtedness.

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

Mortgagor shall pay to Mortgagee a reasonable service charge and such title insurance premiums and attorneys' fees (including in-house staff) as may be incurred by Mortgagee for any action described in this Paragraph 9 taken at the request of Mortgagor or its beneficiary or beneficiaries.

10. MORTGAGEE'S PERFORMANCE OF DEFAULTED ACTS. In case of default herein, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner Mortgagee deems expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, obtain any insurance to protect the Mortgagee's interest herein, and purchase, discharge, compromise or settle any tax lien or assessment or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said Premises or contest any tax or assessment or cure any default of any landlord in any lease of the Premises. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other monies advanced by Mortgagee in regard to protecting the Premises or the lien hereof, shall be so much additional Indebtedness secured hereby, and shall become immediately due and payable without notice and with interest thereon at the rate of interest set forth in the Note applicable to a period when a default exists thereunder. Inaction of Mortgagee or any forbearance by Mortgagee in exercising any right or remedies hereunder shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor.

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

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12. ACCELERATION OF INDEBTEDNESS IN CASE OF DEFAULT. If: (a) default be made in the due and punctual payment of principal or interest in the Note, or any other payment due in accordance with the terms thereof and such default continues for 15 days after written notice to Mortgagor; or (b) the Mortgagor or any beneficiary thereof or any guarantor of the Note shall file (i) a petition for liquidation, reorganization or adjustment of debt under Title 11 of the United States Code (11 U.S.C. Section 101 et seq.) or any similar law state or federal, whether now or hereafter existing, or (ii) any answer admitting insolvency or inability to pay debts, or (iii) fail to obtain a vacation or stay of involuntary proceedings within sixty (60) days, as hereinafter provided; or (c) any order for relief of the Mortgagor or any beneficiary thereof or of any guarantor of the Note in any voluntary or involuntary proceeding, or any court shall have taken jurisdiction of all or the major part of the property of the Mortgagor or of any beneficiary thereof or of any guarantor of the Note in any voluntary or involuntary proceeding for the reorganization, dissolution, liquidation, adjustment of debt or winding up of the Mortgagor or of any beneficiary thereof or of any guarantor of the Note and such trustee or receiver shall not be discharged or such jurisdiction not be relinquished or vacated or stayed on appeal or otherwise stayed within sixty (60) days; or (d) the Mortgagor or any beneficiary thereof or any guarantor of the Note secured hereby shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or trustee or liquidator of all or any major part of its property; or (e) default shall be made in the due observance or performance of any other covenant, agreement or condition hereinbefore or hereinafter contained and required to be kept or performed or observed by the Mortgagor or its beneficiary and such default continues for 30 days after written notice to Mortgagor or its beneficiary unless within that period of time mortgagee or its beneficiary commence to cure said default and continue to process such cure to completion; (f) default shall be made in the due observance or performance of any covenant, agreement or condition required to be kept or observed by Mortgagor or its beneficiary or beneficiaries in the Note or any guarantor thereof or in any other instrument given at any time to secure the payment of the Note, and such default continues after an applicable grace period; then and in any such event of default, the whole of the Indebtedness shall at once, at the option of the Mortgagee, become immediately due and payable without notice to Mortgagor. If while any insurance proceeds or condemnation awards are held by or for the Mortgagee to reimburse Mortgagor or any lessee for the cost of repair, rebuilding or restoration of building(s) or other improvement(s) on the Premises, as set forth herein, the Mortgagee shall be or become entitled to accelerate the maturity of the Indebtedness, then and in such event, the Mortgagee shall be entitled to apply all such insurance proceeds and condemnation awards then held by or for it in reduction of the Indebtedness, and any excess held by it over the amount of the Indebtedness shall be paid to Mortgagor or any party entitled thereto, without interest, as the same appear on the records of the Mortgagee.

13. FORECLOSURE; EXPENSE OF LITIGATION PROTECTION OF MORTGAGEE'S SECURITY. When the Indebtedness or any part thereof shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the

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lien hereof for such indebtedness or part thereof. In any civil action to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the order or judgment for foreclosure and sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee including, without limitation, expenditures for attorneys' fees, including those of in-house counsel, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of said order or judgment) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens' Certificates and similar data and assurances with respect to the title as Mortgagee may deem reasonably necessary either to prosecute such civil action or to evidence to bidders at any sale which may be had pursuant to such order or judgment the true condition of the title to, or the value of, the Premises. All expenditures and expenses of the nature in this paragraph mentioned and such expenses and fees and expenses as may be incurred in the protection of the Premises and the maintenance of the lien of this Mortgage, the Note or the Premises, including probate, appellate and bankruptcy proceedings, or in preparations for the commencement of defense or any action or proceeding or threatened action or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the rate set forth in the Note applicable to a period when a default exists thereunder, and shall be secured by this Mortgage.

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

If Mortgagor fails to perform the Covenants and agreements contained in this Mortgage, or any mortgage or trust deed affecting the Property, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Property, including, but not limited to, foreclosure, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Mortgagee at Mortgagee's option, upon notice to Mortgagor, may make such appearances, disburse such sums and take action as is necessary to protect Mortgagee's interest, including, but not limited to, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs.

Any amounts disbursed by Mortgagee pursuant to this Paragraph 13 with interest thereon, shall become additional indebtedness of Mortgagor secured by this Mortgage. Unless Mortgagor and Mortgagee agree to other terms of payment, such amounts shall be considered as additional principal due under the Note payable upon notice from Mortgagee to Mortgagor requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which

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event such amount shall bear interest at the highest rate permissible under applicable law. Nothing contained in this Paragraph 6 shall require Mortgagee to incur any expense or take any action hereunder.

14. APPLICATION OF PROCEEDS OF FORECLOSURE SALE. The proceeds of any foreclosure sale of the Collateral shall be distributed and applied in the following order or priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof; second, all other items which may be evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note; and fourth, any excess to any party entitled thereto as their rights may appear.

15. APPOINTMENT OF RECEIVER OR MORTGAGEE IN POSSESSION. Upon, or at any time after, the commencement of an action to foreclose this Mortgage, the court in which such action was commenced may, upon request of the Mortgagee, appoint a receiver and without notice and without regard to the priority of the Collateral; and the Mortgagee or any holder of the Note may be appointed as such receiver or as Mortgagee in possession. Such receiver or the Mortgagee in possession shall have power to collect the rents, issues and profits of the premises during the pendency of such foreclosure action and, in case of a sale and a deficiency, during the full statutory period of redemption (if any), whether there be redemption or not, as well as during any further times or Mortgagee in possession, except for the intervention of such receiver or Mortgagee in possession, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such case for the protection, possession, control, management and operation of the premises during the whole of said period. All rents and profits of the property collected by the Mortgagee or receiver shall be applied clear to the payment of the costs and expenses of the property and collection of rents including attorney fees and also to the sums secured by this Mortgage. The court from time to time may authorize the receiver or Mortgagee in possession to apply the net income secured hereby or by any order or judgment foreclosing the lien of this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien of the property or of such order or judgment, provided such application is made prior to or within the time or judgment, as provided in such order or judgment.

16. RIGHTS CUMULATIVE. Each right, power and remedy conferred upon the Mortgagee by this Mortgage and by all other documents evidencing or securing the indebtedness and conferred by law and in equity in cumulative and in addition to every other right, power and remedy, express or implied, given now or hereafter existing, at law and in equity; and each and every power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Mortgagee; and the exercise of the rights to exercise of one right, power or remedy shall not be a waiver of the rights to exercise of another right, power or remedy; and no delay or omission of, or discontinuance by, the Mortgagee in the exercise of any

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20. GIVING OF NOTICE. Any notice which either party hereto may desire to give to the other party shall be in writing and the mailing thereof, by certified mail addressed to the Mortgagee or to the Mortgagee, as

19. RELEASE UPON PAYMENT AND DISCHARGE OF MORTGAGOR'S OBLIGATIONS. Mortgagee shall release (in whole or partially) this Mortgage and the Lien (in whole or partially) by proper instrument upon payment and discharge of all indebtedness (or applicable agreed portion) secured hereby (including any prepayment charges and late charges provided for herein or in the Note) and upon payment of a reasonable fee to Mortgagee for the preparation and execution of such proper instrument as shall be determined by Mortgagee in its absolute discretion.

Unless Mortgagee and Mortgagee agree otherwise in writing, any such application of proceeds to principal or otherwise shall not extend or postpone the due date of the monthly installment referred to in this Mortgage and Note of even date herewith or change the amount of such payments.

18. EMINENT DOMAIN AND/OR CONDEMNATION. Mortgagee hereby assigns, transfers and sets over into the Mortgagee the entire proceeds of any claim for damages for any of the improvements on the property or any collateral taken or damaged under the power of eminent domain or by condemnation. So long as any applicable laws in full force and effect and each contract hereunder is not in default and such taking shall not result in the termination or cancellation of any of those loans or given any contract hereunder the right to cancel (b) the premium required for the termination of the contract; (c) no event of default exists hereunder; then any award, interest production or expenses incurred in the collection thereof, shall be made available by the Mortgagee for the repair, rebuilding or reconstruction of the premises in accordance with plans and specifications approved by the Mortgagee. In any case where proceeds are made available for repair, rebuilding or reconstruction, the proceeds of the award shall be paid out in the same manner and under the same conditions provided in Paragraph 6 hereof for the payment of insurance proceeds toward the cost of repair, rebuilding or reconstruction. Any award which remains out of award, rebuilding or reconstruction, including, but not limited to, the cost of repair, rebuilding or reconstruction, shall be the property of Mortgagee, as the Distributing Party shall, at the option of Mortgagee, be applied on account of the indebtedness or paid to any party included thereto as the name appears on the record of the Mortgage. No interest shall be allowed to Mortgagee on account of any proceeds of any award held by the Mortgagee.

17. MORTGAGOR'S RIGHT OF INSPECTION. Mortgagee, its representatives, agents or participants shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.

16. If any such right, power or remedy, or be construed to be a waiver of any default, right, power or remedy accruing hereunder or affecting otherwise shall impair or acquiescence therein.

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

THE MORTGAGOR FURTHER HEREBY WAIVES AND RELEASES ALL RIGHTS UNDER AND BY VIRTUE OF THE HOMESTEAD EXEMPTION LAWS OF THE STATE OF ILLINOIS AND ALL RIGHT TO RETAIN POSSESSION OF SAID MORTGAGED PROPERTY AFTER ANY DEFAULT IN OR BREACH OF ANY OF THE COVENANTS, AGREEMENTS OR PROVISIONS HEREIN CONTAINED.

IN THE EVENT OF THE COMMENCEMENT OF A JUDICIAL PROCEEDING TO FORECLOSE THIS MORTGAGE, MORTGAGOR DOES HEREBY EXPRESSLY WAIVE ANY AND ALL RIGHTS OF REDEMPTION AND REINSTATEMENT FROM SALE UNDER ANY ORDER OR DECREE OF FORECLOSURE OF THIS MORTGAGE, AND EACH AND EVERY PERSON IT MAY LEGALLY BIND ACQUIRING ANY INTEREST IN OR TITLE TO THE PROPERTY AFTER THE DATE OF THE EXECUTION OF THIS MORTGAGE AND ON BEHALF OF ALL OTHER PERSONS TO THE EXTENT PERMITTED BY THE APPLICABLE PROVISIONS OF THE STATUTES AND LAWS OF THE STATE OF ILLINOIS, AND FOR ALL THAT IT MAY LEGALLY BIND WHO ACQUIRE ANY INTEREST IN OR TITLE TO THE MORTGAGED PREMISES SUBSEQUENT TO THE DATE HEREOF, AGREES THAT WHEN SALE IS MADE UNDER ANY DECREE OF FORECLOSURE OF THIS MORTGAGE, UPON CONFIRMATION OF SUCH SALE, THE SHERIFF OF THE COUNTY IN WHICH THE PROPERTY IS LOCATED, OR OTHER OFFICER MAKING SUCH SALE, OR HIS SUCCESSOR IN OFFICE, SHALL BE AND IS AUTHORIZED IMMEDIATELY TO EXECUTE AND DELIVER TO THE PURCHASER AT SUCH SALE, A DEED CONVEYING THE PROPERTY, SHOWING THE AMOUNT PAID THEREFOR, OR IF PURCHASED BY THE PERSON IN WHOSE FAVOR THE ORDER OR DECREE IS ENTERED, THE AMOUNT OF HIS BID THEREFOR.

22. WAIVER OF STATUTORY RIGHTS, INCLUDING REDEMPTION, REINSTATEMENT AND HOMESTEAD (applicable if Mortgagee has purchased interest in real estate). Mortgagee shall not and will not (not shall any beneficiary of mortgage) apply for or avail itself of any appraisement, valuation, stay, extension or exemption laws or any so-called "Mortgagee Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of the lien of this mortgage, but hereby waives the benefit of such laws, for itself and all who may claim through or under it, including its beneficiary, if any, 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 collateral sold as an entirety.

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

the case may be, at the respective addresses set forth on the first page hereof or at such other place as any party hereto may by notice in writing designate as a place for service of notice, shall constitute service of notice hereunder.

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26. MISCELLANEOUS. Binding Nature. This Mortgage and all provisions hereof shall extend to and be binding upon the original Mortgagee named on Page 1 hereof and its successors, assigns, such subsequent owners or owners of the premises and all persons claiming under or through Mortgagee and the word "Mortgagee" when used herein shall include all such persons primarily and secondarily liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this

25. BUSINESS PURPOSE; USURY EXEMPTION. Mortgagee hereby represents, or it applicable Mortgagee has been advised by its beneficiaries, that the proceeds of the loan secured by this Mortgage will be used for the purposes specified in Paragraph 6404 of Chapter 17 of the 1981 Illinois Revised Statutes, and that the principal obligation secured hereby constitutes a "Business Loan" which comes within the purview and operation of said Paragraph.

24. FILING AND RECORDING CHARGES AND TAXES. Mortgagee will pay all filing, registration, recording and search and information fees, and all expenses incident to the execution and acknowledgment of this Mortgage and all other documents securing the Note and all federal, state, county and municipal taxes, other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery, filing, recording or registration of the Note, this Mortgage and all other documents securing the Note and all assignments thereof.

23.3. If Mortgagee fails to furnish promptly any report required by Paragraph 23.1, the Mortgagee may elect (in addition to exercising any other right, remedy and power) to make an audit of all books and records of Mortgagee and its beneficiaries which in any way pertain to the premises and to prepare the statements or statements which Mortgagee failed to procure and deliver. Such audit shall be made and such statements shall be prepared by an independent certified public accountant to be selected by the Mortgagee. Mortgagee shall pay all expenses of the audit and other services which expenses shall be secured hereby as additional indebtedness and shall be immediately due and payable with interest thereon at the rate set forth in the Note applicable to a period when default exists thereunder.

23.2. If Mortgagee fails to furnish promptly any report required by Paragraph 23.1, Mortgagee consents and agrees to pay to Mortgagee if elected by Mortgagee the sum of TWO HUNDRED DOLLARS (\$200.00) as administrative expenses for each month or part thereof lapsing after such ninety (90) day period until such report is furnished to Mortgagee.

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

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27. SECURITY AGREEMENT AND FINANCING STATEMENT. Mortgagee agrees: (1) that this Mortgage shall constitute a Security Agreement within the meaning of the Uniform Commercial Code (the "Code") of the State in which the premises are located with respect to all sums on deposit with the Mortgagee pursuant to Paragraphs 6 and 18 hereof ("Deposits") and with respect to any property included in the definition hereof of the word "Premises", which property may not be deemed to form a part of the real estate described in EXHIBIT "A" or may not constitute a "Fixture" (within the meaning of Section 9-313 of the Code) and all replacements of such property, substitutions for such property, additions to such property, books and records relating to the Premises and operation thereof and the proceeds thereof (and being sometimes hereinafter collectively referred to as the "Collateral"); and (2) that a security interest in and to all of the mortgagee and its beneficiary's interests, in any, in the collateral, including, but not limited to all fixtures, apparatus and equipment and personal property in the Premises, and the Deposits, shall be granted to the Mortgagee; and (iii) that the Deposits and all of the Mortgagee's rights, title and interests therein are hereby assigned to the Mortgagee; and to secure payment of the indebtedness and to secure performance by the Mortgagee of the terms, covenants and provisions hereof.

In the event of default under this Mortgage, the Mortgagee, pursuant to the appropriate provisions of the Code, shall have an option to proceed with respect to the collateral in accordance with its rights, powers and remedies. The parties agree that if the Mortgagee shall elect to proceed with collateral to the collateral, fourteen (14) days notice of the sale of the holding, preparing for sale, selling, and the like incurred by the Mortgagee shall include, but not be limited to, reasonable attorneys' fees and legal expenses incurred by the Mortgagee including in-house staff. The Mortgagee agrees that, without the written consent of the Mortgagee, the Mortgagee will not remove or permit to be removed from the premises any of the collateral except that so long as the Mortgagee is not in default hereunder, the Mortgagee shall be permitted to sell or otherwise dispose of the collateral when obsolete, worn out, inadequate, unworkable or unnecessary for use in the operation of the Premises, but only upon replacing the same or substituting for the same other collateral of equal value and utility to the extent value and utility created by the disposal of such a manner that sets replacement or substituted collateral shall be subject to the security interest created hereby and that the security interest of the Mortgagee shall be perfected and first in priority, it being expressly understood and agreed that all replacements, substitutions and additions to the collateral shall be and become immediately subject to the security interest of this Mortgage and Mortgagee, deliver to the Mortgagee at the cost of the Mortgagee: (1) such further financing statements and security documents and assurances as Mortgagee may require, to the end that the liens and security interests created hereby shall be and remain perfected and protected in accordance with the requirements of any present or future law; and (ii) an inventory of the collateral in reasonable detail. The Mortgagee covenants and represents that

foreclosure and sale of the premises, any statute or rule of law at any time existing to the contrary notwithstanding.

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29. DUE ON SALE OR FURTHER ENCUMBRANCE CLAUSE. In determining whether or not to make the loan secured hereby, Mortgagee examined the credit-worthiness of Mortgagor and/or Mortgagor's beneficiary or guarantor (if applicable), found the same to be acceptable and relied and continues to rely upon same as the means of repayment of the loan. Mortgagee also evaluated the background and experience of Mortgagor and/or its beneficiary or guarantor (if applicable) owning and operating property such as the Premises, found the same to be acceptable and relied and continues to rely upon same as the means of maintaining the value of the Premises which is Mortgagee's security for the loan. It is recognized that Mortgagee is entitled to keep its loan portfolio at current interest rates by either making new loans at such rates or collecting assumptions and/or increasing the interest rate on a loan the security for which is purchased by a party other than the original Mortgagor and/or its beneficiary (if applicable). Mortgagee and/or its beneficiary (if applicable) further recognize that any secondary or junior financing placed upon the collateral, or the beneficial interest of beneficiary in Mortgagee (a) may divert funds which would otherwise be used to pay the Note secured hereby; (b) could result in acceleration and foreclosure by any such junior encumbrancer which would force Mortgagee to take measures and incur expenses to protect its security; (c) would detract from the value of the collateral should Mortgagee come into possession thereof with the intention of selling same; and (d) impair Mortgagee's rights of foreclosure, as a foreclosure by UCC sale would be necessary to clear the title to the Premises.

28. LIES FOR LOAN COMMISSIONS, SERVICE CHARGES AND THE LIKE. So long as the original Mortgagee named on Page 1 hereof is the owner of the Note, and regardless of whether any proceeds of the loan evidenced by the Note have been disbursed, this Mortgagee also secures the payment of all loan commissions, service charges, fees to its attorneys (including in-house staff), liquidated damages, expenses and advances due to or incurred by the Mortgagee in connection with the loan transaction intended to be secured hereby, all in accordance with the application of, and loan commitment issued to and accepted by, one or more of Mortgagor or Mortgagor's beneficiaries in connection with said loan, if applicable.

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

The Mortgagor and Mortgagee agree, to the extent permitted by law, that: (1) this instrument, upon recording or registration in the real estate records of the proper office, shall constitute a "fixture" to perfect the interest of Lender within the meaning of Sections 9-313 and 9-402 of the Code; and (2) Mortgagor is a record owner of the collateral described in EXHIBIT "A".

All collateral now in, and that all replacements thereof, substitutions therefor or additions thereto, unless the Mortgagee otherwise consents, will be free and clear of liens, encumbrances, title retention devices and security interests of others.

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

under this Paragraph. Any conveyance by the Mortgagor, or any transfer of property under this Paragraph shall not constitute a consent of any kind to the exercise of the power of sale upon a subsequent event of default.

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

(c) any sale, conveyance, assignment, or other transfer of, or the grant of a security interest in, any general partnership (herein called the "Partnership") which is the Mortgagor or the beneficiary or one of the beneficiaries under the current agreement with the Mortgagor (except that the Partnership may sell, assign, or otherwise transfer an interest in the general partnership interest with the consent of the lender, which consent shall not be unreasonably withheld).

(b) any sale, conveyance, assignment, or other transfer of, or the grant of a security interest in, any share of stock of the Mortgagor, or the corporation or the beneficiary of the partnership or one of the beneficiaries under the current agreement with the Mortgagor, or of any corporation or indirectly controlling such partnership or corporation.

(a) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, all or any part of the title to the collateral or the beneficial interest or power of direction under the trust agreement with the Mortgagor, if applicable;

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

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My Commission Expires 01/17/97
NOTARY PUBLIC STATE OF ILLINOIS
CINDY M. WOOD III

Notary Public

Given under my hand and official seal, this 23 day

of 1997
Cindy Wood III
Notary Public
I, _____, a Notary Public, in and for Cook County, in the State of Illinois, do hereby certify that George Shinas and _____, personally known to me to be the President and Secretary, respectively, of DPS, Inc., whose name is subscribed to the foregoing instrument, appeared before me this day in person and have 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.

By: George Shinas, President
DPS, Inc.

Secretary
Accounted:
George Shinas

223 W. Ontario Associates, Ltd.

PARTNERSHIP:

01010-02

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Property of Cook County Clerk's Office

COOK COUNTY CLERK'S OFFICE
1000 COUNTY WAREHOUSE
CHICAGO, ILL. 60604
PHONE: 312-600-1344

-89-016463

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EXHIBIT "A"

Sub-Leasehold Estate created by sublease agreement from 223 West Ontario Corporation, a corporation of Illinois, as Lessor to 223 West Ontario Associates, Ltd., an Illinois Limited Partnership, as Lessee, dated April 25, 1986, a Memorandum of which sublease agreement was recorded July 21, 1986, as document 86306970 and filed July 21, 1986 as document LR 3532746, which lease demises the following described land for a term of years beginning January 27, 1986 and ending 20 years from aforesaid date to wit:

Lots 11 to 17 both inclusive, in Block 14 in Newberry's addition a subdivision in the East 1/2 of the West 1/2 of the North East 1/4 of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Tax # 17-09-230-005-0000 affects Lot 11
17-09-230-004-0000 affects Lots 12 and 13
17-09-230-003-0000 affects Lot 14
17-09-230-002-0000 affects Lot 15
17-09-230-001-0000 affects Lots 16 and 17

Address: 223-225 W. Ontario
Chicago, IL 60610

PROPERTY OF COOK COUNTY CLERK'S OFFICE

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