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NOW, THEREFORE, Mortgagor, in consideration of said debt and to secure the payment of both principal and interest thereof, in accordance with the terms and provisions of the Note and in accordance with the terms, provisions and limitations of this mortgage, and to secure the performance of the covenants and agreements herein and in the Note contained, to be performed by Mortgagor, does by these presents MORTGAGE, GRANT, REMISE, RELEASE, ALIEN and CONVEY unto Mortgagee, its successors and assigns, the real estate described in Exhibit A attached hereto and made a part hereof and all of its estate, right, title and interest therein, situate, lying and being in the City of Chicago, County of Cook, and State of Illinois which, with the property hereinafter described, is referred to as the "premises".

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto pertaining or 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 real estate and not secondarily), and including but not limited to all shades, awnings, venetian blinds, screens, screen doors, storm doors and windows, stoves and ranges, curtain fixtures, partitions, attached floor covering, now or hereafter therein or thereon and all fixtures, apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air cooling, air conditioning, water, light, power, sanitation, sprinkler protection, waste removal, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing), all other fixtures, apparatus, equipment, furniture, furnishings, and articles used or useful in connection with the operation of a building now or hereafter located upon said premises, it being understood that the enumeration of any specific articles of property shall in no way result in or be held to exclude any items of property not specifically mentioned. All of the land, estate and property hereinabove described, real, personal and mixed, whether affixed or annexed or not (except where otherwise hereinabove specified) and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared to form a part and parcel of the real estate and to be appropriated to the use of the real estate, and shall for the purpose of this mortgage be deemed to be real estate and conveyed and mortgaged hereby. As to any of the property aforesaid which (notwithstanding the aforesaid declaration and agreement) does not so form a part and parcel of the real estate, this mortgage is hereby deemed to be, as well, a Security Agreement under the Uniform Commercial Code for the purpose of creating hereby a security interest in such property, which Mortgagor hereby grants to Mortgagee as Secured Party (as said term is defined in the Uniform Commercial Code), securing said indebtedness and obligations.

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7/3/89

## MORTGAGE

THIS MORTGAGE made July 6, 1989 by and between American National Bank of Chicago, not personally, but as Trustee u/t/a dated March 7, 1979 and known as Trust Number 45977 (the "Mortgagor"), and the Exchange National Bank of Chicago (the "Mortgagee").

\$42.00

### WITNESSETH:

THAT WHEREAS, Mortgagor has concurrently herewith executed and delivered an Installment Note bearing even date in the principal sum of Eight Hundred Ninety Thousand Dollars (\$890,000.00) (the "Note"), made payable to Mortgagee, in and by which Note Mortgagor promises to pay the principal sum and interest thereon at the rate and in installments as provided in the Note. A copy of said Note is attached as Exhibit B. All of said principal and interest are made payable at such place as the holder or holders of the Note (the "Holders") may, from time to time, in writing appoint, and in absence of such appointment, then at the office of Mortgagee in Chicago, Illinois. Mortgagor acknowledges that the monthly principal repayment as set forth in the Note will not "self amortize" repayment of the Note and that on the maturity date, a balloon payment of principal will be due. Mortgagor further acknowledges that Mortgagee is under absolutely no obligation to refinance the Note at maturity.

WHEREAS, this Mortgage secures not only presently existing indebtedness under the Note but also future advances whether such advances are obligatory or are to be made at the option of the Mortgagee, or otherwise, as made within 20 years from the date hereof to the same extent as if such future advances were made on the date of execution of this Mortgage, although there may be no indebtedness outstanding at the time any advance is made;

This instrument was prepared by and when recorded return to:  
Mark A. Weber  
SCHWARTZ, COOPER, KOLB  
& GAYNOR CHARTERED  
Two First National Plaza  
20 South Clark Street  
Suite 1100  
Chicago, Illinois 60603  
(312) 726-0845

Address: 3636 West 51st Street  
Chicago, Illinois 60632  
a/k/a 5007-21 South Lawndale  
Chicago, Illinois 60632  
P.I.N. 19-11-120-013  
19-11-120-014  
19-11-120-016  
19-11-120-018  
19-11-120-019

Box 333

AND TRUST COMPANY

A NATIONAL BANKING ASSOCIATION.

72-13-805 D1

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the last ascertainable year (general and special) on said premises (unless said taxes are based upon assessments which exclude the improvements or any part thereof now constructed, or to be constructed, in which event the amount of such deposits shall be based upon Mortgagee's reasonable estimate as to the amount of taxes and assessments to be levied and assessed). Mortgagor, concurrently with the assignment of this mortgage, will also deposit with Mortgagee an amount, based upon the taxes and assessments so ascertainable or so estimated by Mortgagee, as the case may be, for taxes and assessments on said premises, on the accrual basis, for the period from January 1, succeeding the year for which all taxes and assessments have been paid, to and including the date of the first deposit in this Section hereinabove mentioned. Such deposits 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 and special) for any year when the same shall become due and payable, Mortgagor shall within ten (10) days after receipt of demand therefor, 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.

## Insurance

4. Mortgagor shall at all times keep all buildings, improvements, fixtures and articles of personal property now or hereafter situated on the premises insured against loss or damage by fire and such other hazards as may reasonably be required by Mortgagee, including without limitation: (a) all-risk fire and extended coverage insurance, with vandalism and malicious mischief endorsements, for the full replacement value of the premises, with agreed upon amount and inflation guard endorsements; (b) if there are tenants under leases at the premises, rent and rental value or business loss insurance for the same perils described in (a) above payable at the rate per month and for the period specified from time to time by Mortgagee; (c) broad form boiler and sprinkler damage insurance in an amount reasonably satisfactory to Mortgagee, if and so long as the premises shall contain a boiler and sprinkler system, respectively; (d) if the premises are located in a flood hazard district, flood insurance in the maximum amount obtainable up to the amount of the indebtedness hereby secured; and (e) such other insurance as Mortgagee may from time to time reasonably require. Mortgagor also shall at all times maintain comprehensive public liability, property damage and workmens' compensation insurance covering the premises and any employees thereof, with such limits for personal injury, death and property damage as Mortgagee may reasonably require. All policies of insurance to be furnished hereunder shall be in forms, companies, amounts and deductibles reasonably satisfactory to Mortgagee, with mortgagee clauses

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

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

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

1. Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the premises which may become damaged or be destroyed; (b) keep the premises in good condition and repair, without waste, and free of mechanics' liens or other liens or claims for lien not expressly subordinated to the lien hereof; (c) 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 and comply with all requirements of all loan documents evidencing or securing such indebtedness, and upon request, exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee; (d) complete within a reasonable time any building or buildings or any improvements now or at any time in the process of erection upon the premises; (e) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the premises and the use thereof; (f) make no material alterations in the premises except as required by law or municipal ordinance; (g) suffer or permit no change in the general nature of the occupancy of the premises, without Mortgagee's written consent; (h) initiate or acquiesce in no zoning variation or reclassification, without Mortgagee's prior written consent; (i) pay each item of indebtedness secured by this mortgage when due according to the terms hereof or of the note.

Payment of Taxes

2. Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the premises when due, and shall, upon written request, furnish to Mortgagee duplicate receipts therefor. To prevent default hereunder Mortgagor shall pay in full under protest, in the manner provided by statute, any tax or assessment which Mortgagor may desire to contest.

Tax Deposits

3. Mortgagor covenants and agrees to deposit upon request of Mortgagee at such place as Mortgagee may from time to time in writing appoint, and in the absence of such appointment, then at the office of Mortgagee on the first day of each month hereafter until the indebtedness secured by this mortgage is fully paid, a sum equal to one-twelfth of the last total annual taxes and assessments for

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shall not be subject to the direction or control of Mortgagor; provided, however, that neither Mortgagee nor said depository shall be liable for any failure to apply to the payment of taxes and assessments or insurance premiums any amount so deposited unless Mortgagor, while not in default hereunder, shall have requested said depository in writing to make application of such funds to the payment of the particular taxes or assessments or the payment of the particular insurance premiums as the case may be for payment of which they were deposited, accompanied by the bills for such taxes and assessments or insurance premiums.

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

6. In case of loss or damage by fire or other casualty, Mortgagor may settle and adjust any claim under insurance policies which insure against such risks so long as: (a) no insurer denies liability as to any insured or claims any right of participation in any of the Mortgagee's security; and (b) this Mortgage is not in default; then such insurance proceeds, after deducting therefrom any expenses incurred by mortgagee in the collection thereof, shall be made available by the Mortgagee for the repair, rebuilding or restoration of the building(s) and other improvement(s) on the premises. If Mortgagor is then in default, Mortgagee is authorized to settle and adjust any claim and 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 pay for the cost of the repair, rebuilding or restoration of the building(s) and other improvement(s) on the premises. In the event of repair restoration or rebuilding, 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 percent (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 or restoring the buildings and other improvements may reasonably exceed the sum of TWENTY THOUSAND DOLLARS (\$20,000.00), then the Mortgagee must approve plans and specifications of such work before such work shall be commenced.

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attached to all policies in favor of and in form satisfactory to Mortgagee, including a provision requiring that the coverage evidenced thereby shall not be terminated or materially modified without thirty (30) days' prior written notice to Mortgagee and shall contain endorsements that no act or negligence of the insured or any occupant and no occupancy or use of the premises for purposes more hazardous than permitted by the terms of the policies will affect the validity or enforceability of such policies as against Mortgagee. Mortgagor shall deliver all 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 mortgage clause acceptable to Mortgagee. Mortgagor immediately shall notify Mortgagee whenever any such separate insurance is taken out and promptly shall deliver to Mortgagee the policy or policies (or certificates thereof) of such insurance.

In the event of loss Mortgagor will give immediate notice by mail to Mortgagee, who may make proof of loss if not made promptly by Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Mortgagee instead of to Mortgagor and Mortgagee jointly. Any insurance proceeds so received by Mortgagee, or any part thereof, shall be applied by Mortgagee, after the payment of all of Mortgagee's expenses, including costs and attorneys' fees, to the restoration or repair of the property damaged as provided in Paragraph 6 hereof. In the event of foreclosure of this Mortgage, all right, title and interest of Mortgagor in and to any insurance policies then in force shall pass to the purchaser at the foreclosure sale. Mortgagor shall furnish Mortgagee, without cost to Mortgagee, at the request of Mortgagee, from time to time, evidence of the replacement value of the premises.

## Mortgagee's Interest in and Use of Deposits

5. In the event of a default in any of the provisions contained in this mortgage or in the Note, Mortgagee may at its option, without being required to do so, apply any moneys at the time on deposit pursuant to any provision of this mortgage, as any one or more of the same may be applicable, on any of Mortgagor's obligations herein or in the Note contained, in such order and manner as Mortgagee may elect. When the indebtedness secured hereby has been fully paid, any remaining deposits shall be paid to Mortgagor or to the then owner or owners of the premises. Such deposits are hereby pledged as additional security for the indebtedness hereunder and shall be held to be irrevocably applied by the depository for the purposes for which made hereunder and

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## Prepayment

8. At such time as Mortgagor is not in default either under the terms of the Note or under the terms of this mortgage, the Mortgagor shall have the privilege of making prepayments on the principal of the Note (in addition to the required payments) in accordance with the terms and conditions set forth in the Note.

## Effect of Extensions of Time

9. If the payment of said indebtedness or any part thereof be extended or varied or if any part of the security be released, all persons now or at any time hereafter liable thereon, or interested in the premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such persons being expressly reserved by Mortgagee, notwithstanding such extension, variation or release.

## Effect of Changes in Laws Regarding Taxation

10. In the event of the enactment after this date of any law of the state in which the premises are located deducting from the value of land for the purpose of taxation any lien thereon, or imposing upon Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagor, 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 property, or the manner of collection of taxes, so as to affect this mortgage or the debt secured hereby or the Holders, then, and in any such event, Mortgagor, upon demand by Mortgagee, shall pay such taxes or assessments, or reimburse Mortgagee therefor; provided, however, that if in the opinion of counsel for 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 such event, Mortgagee may elect, by notice in writing given to Mortgagor, to declare all of the indebtedness secured hereby to be and become due and payable sixty (60) days from the giving of such notice.

## Mortgagee's Performance of Defaulted Acts, Subrogation

11. In case of default therein, Mortgagee may, but need not, make any payment or perform any act herein or in any loan documents evidencing or securing the indebtedness secured hereby or any indebtedness secured by a prior encumbrance, required of Mortgagor, in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or

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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 to any responsible trust company or title insurance company selected by the Mortgagee.

In case of loss after foreclosure proceedings have been instituted, the proceeds of any such insurance policy or policies, if not applied as aforesaid in rebuilding or restoring the buildings or improvements, shall be applied in payment or reduction of the Indebtedness secured hereby or in payment or reduction of the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid to the owner of the equity of redemption if it shall then be entitled to the same or as the court may direct. In case of the foreclosure of this mortgage, the court in its decree may provide that the mortgagee's clause attached to each of said insurance policies may be cancelled and that the decree creditor may cause a new loss clause to be attached to each of said policies making the loss thereunder payable to said decree creditor; and any such foreclosure decree may further provide that in case of one or more redemptions under said decree, pursuant to the statute in such case made and provided, then and in every such case, each successive redeemer may cause the preceding loss clause attached to each insurance policy to be cancelled and a new loss clause to be attached thereto, making the loss thereunder payable to such redeemer. In the event of foreclosure sale, Mortgagee is hereby authorized, without the consent of Mortgagor, to assign any and all insurance policies to the purchaser at the sale, or to take such other steps as Mortgagee may deem advisable, to cause the interest of such purchaser to be protected by any of the said insurance policies.

## Stamp Tax

7. If, by the laws of the United States of America, or of any state having jurisdiction over Mortgagor, any tax is due or becomes due in respect of the issuance of the Note, or recording of this mortgage, Mortgagor covenants and agrees to pay such tax in the manner required by any such law. Mortgagor further covenants to hold harmless and agrees to indemnify Mortgagee, its successors or assigns, against any liability incurred by reason of the imposition of any tax on the issuance of the Note, or recording of this mortgage.

property or the major part thereof in any involuntary proceeding for the reorganization, dissolution, liquidation or winding up of Mortgagor or any Affiliated Person, and such trustee or receiver shall not be discharged or such jurisdiction relinquished or vacated or stayed on appeal or otherwise stayed within thirty (30) days; or (d) Mortgagor or any Affiliated Person 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 of its property or the major part thereof; or (e) Mortgagee shall have the right to declare the indebtedness secured hereby due and payable pursuant to paragraph 36 hereof; or (f) default shall be made in the due observance or performance of any other of the covenants, agreements or conditions hereinbefore or hereinafter contained, required to be kept or performed or observed by Mortgagor or any Affiliated Person and the same shall continue for thirty (30) days, then and in every such case the whole of said principal sum hereby secured shall, at once, at the option of Mortgagee, become immediately due and payable, together with accrued interest thereon, without further notice to Mortgagor. In the event that any default specified by Mortgagee to Mortgagor under "(f)" above shall be of such nature that it cannot be cured or remedied within 30 days, Mortgagor shall be entitled to a reasonable period of time to cure or remedy such default, provided Mortgagor commences the cure or remedy thereof within the 30 day period following the giving of such notice and thereafter proceeds with diligence to complete such cure or remedy.

#### Foreclosure; Expense of Litigation

14. When the indebtedness hereby secured, or any part thereof, shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for such indebtedness or part thereof. It is further agreed that if default be made in the payment of any part of the secured indebtedness as an alternative to the right of foreclosure for the full secured indebtedness after acceleration thereof, Mortgagee shall have the right to institute partial foreclosure proceedings with respect to the portion of said indebtedness so in default, as if under a full foreclosure, and without declaring the entire secured indebtedness due (such proceeding being hereinafter referred to as a "partial foreclosure"), and provided that if foreclosure sale is made because of default of a part of the secured indebtedness, such sale may be made subject to the continuing lien of this mortgage for the unmatured part of the secured indebtedness; and it is agreed that such sale pursuant to a partial foreclosure, if so made, shall not in any manner affect the unmatured part of the secured indebtedness, but as to such unmatured part of this mortgage and the lien thereof shall remain in full force and effect just as though no foreclosure sale had been made under the provisions of this Section. Notwithstanding the filing of any partial foreclosure or entry of a

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redeem from any tax sale or forfeiture affecting the premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other moneys advanced by Mortgagee to protect the premises and 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 post maturity rate. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor. Should the proceeds of the Note or any part thereof, or any amount paid out or advanced hereunder by Mortgagee, be used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any lien or encumbrance upon the premises or any part thereof on a parity with or prior or superior to the lien hereof, then as additional security hereunder, the Mortgagee shall be subrogated to any and all rights, equal or superior titles, liens and equities, owned or claimed by any owner or holder of said outstanding liens, charges and indebtedness, however remote, regardless of whether said liens, charges and indebtedness are acquired by assignment or have been released of record by the holder thereof upon payment. Notwithstanding anything to the contrary herein contained, in no event shall the indebtedness secured hereby exceed an amount equal to Eight Hundred Ninety Thousand Dollars (\$890,000.00).

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

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

## Acceleration of Indebtedness in Case of Default

13. If (a) default be made for ten (10) days after written notice in the due and punctual payment of the Note, or any installment due in accordance with the terms thereof, either of principal or interest; or (b) Mortgagor or any affiliated Person shall file a petition in voluntary bankruptcy or under any provision of the Federal Bankruptcy Code or any similar law, state or federal, whether now or hereafter existing, or an answer admitting insolvency or inability to pay its debts, or fail to obtain a vacation or stay of involuntary proceedings within thirty (30) days, as hereinafter provided; or (c) Mortgagor or any affiliated Person shall be adjudicated a bankrupt, or a trustee or a receiver shall be appointed for Mortgagor or any Affiliated Person or for all of its

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additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note; fourth, any overplus to Mortgagor, its successors or assigns, as their rights may appear.

## Appointment of Receiver

16. Upon, or at any time after the filing of a complaint to foreclose this mortgage, the court in which such complaint is filed may appoint a receiver of the premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the premises or whether the same shall be then occupied as a homestead or not and Mortgagee hereunder or any Holders may be appointed as such receiver. Such receiver shall have power: (a) to collect the rents, issues and profits of the premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits; (b) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; and (c) all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the indebtedness secured hereby, or by any decree foreclosing this mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; and (b) the deficiency in case of a sale and deficiency.

## Assignment of Rents and Leases

17. To further secure the indebtedness secured hereby, Mortgagor hereby sells, assigns and transfers unto Mortgagee all the rents, issues and profits now due and which may hereafter become due under or by virtue of any lease, whether written or verbal, or any

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decree of sale therein, Mortgagee may elect at any time prior to a foreclosure sale pursuant to such decree, to discontinue such partial foreclosure and to accelerate the secured indebtedness by reason of any uncured default or defaults upon which such partial foreclosure was predicated or by reason of any other defaults, and proceed with full foreclosure proceedings. It is further agreed that several foreclosure sales may be made pursuant to partial foreclosures without exhausting the right of full or partial foreclosure sale for any unmatured part of the secured indebtedness, it being the purpose to provide for a partial foreclosure sale of the secured indebtedness for any matured portion of the secured indebtedness without exhausting the power to foreclose and to sell the premises pursuant to any such partial foreclosure for any other part of the secured indebtedness whether matured at the time or subsequently maturing, and without exhausting any right of acceleration and full foreclosure.

In any suit to foreclose the lien hereof (including any partial foreclosure) or to enforce any other remedy of Mortgagee under this mortgage or the Note, there shall be allowed and included as additional indebtedness in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title and value as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises. All expenditures and expenses of the nature in this Section mentioned, and such expenses and fees as may be incurred in the protection of the premises and the maintenance of the lien of this mortgage, including the fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this mortgage, the Note or the premises, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the post maturity rate and shall be secured by this mortgage.

## Application of Proceeds of Foreclosure Sale

15. The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding Section hereof; second, all other items which under the terms hereof constitute secured indebtedness

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## Lease Assignment

18. To further secure the indebtedness described in and secured hereby, Mortgagor has sold, assigned and transferred unto Mortgagee, its successors and assigns, any interest of Mortgagor as lessor in any lease or leases now or hereafter existing with respect to the premises. Mortgagor expressly covenants and agrees that if the lessee or any of the lessees under said lease or leases so assigned or Mortgagor, as lessor therein, shall fail to perform and fulfill any term, covenant, condition or provision in said lease or leases, or any of them, on its or their part to be performed or fulfilled, at the times and in the manner in said lease or leases provided, or if Mortgagor shall suffer or permit to occur any breach or default under the provisions of the assignment of leases of the premises and such default shall continue for ten (10) days, then and in any such event, such breach or default shall constitute a default hereunder and at the option of Mortgagee, and without notice to Mortgagor, all unpaid indebtedness secured by this mortgage shall, notwithstanding anything in the Note or in this mortgage to the contrary, become due and payable as in the case of other defaults.

## Mortgagee's Right of Possession in Case of Default

19. In any case in which under the provisions of this mortgage Mortgagee has a right to institute foreclosure proceedings, whether before or after the whole principal sum secured hereby is declared to be immediately due as aforesaid, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, forthwith, upon demand of Mortgagee, Mortgagor shall surrender to Mortgagee and Mortgagee shall be entitled to take actual possession of the premises or any part thereof personally, or by its agent or attorneys, as for condition broken. In such event Mortgagee in its discretion may, with or without force and with or without process of law, enter upon and take and maintain possession of all or any part of said premises, together with all documents, books, records, papers and accounts of Mortgagor or then owner of the premises relating thereto, and may exclude Mortgagor, its agents or servants, wholly therefrom and may as attorney-in-fact or agent of Mortgagor, or in its own name as Mortgagee and under the powers herein granted, hold, operate, manage and control the premises and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, and with full power: (a) to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same; (b) to elect to

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letting of, or of any agreement for the use or occupancy of the premises or any part thereof, which may have been heretofore or may be hereafter made or agreed to or which may be made or agreed to by Mortgagee under the powers herein granted, it being the intention hereby to establish an absolute transfer and assignment of all such leases and agreements, and all the avails thereunder, to Mortgagee. Mortgagor hereby irrevocably appoints Mortgagee its true and lawful attorney in its name and stead (with or without taking possession of the premises as provided in Section 19 hereof) to rent, lease or let all or any portion of the premises to any party or parties at such rental and upon such terms as said Mortgagee shall, in its discretion, determine, and to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter, and all now due or that may hereafter become due under each and every of the leases and agreements, written or verbal, or other tenancy existing, or which may hereafter exist on the premises, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as Mortgagee would have upon taking possession pursuant to the provisions of Section 19 hereof.

Mortgagor represents and agrees that no rent has been or will be paid by any person in possession of any portion of the premises for more than one installment in advance and that the payment of none of the rents to accrue for any portion of the said premises has been or will be waived, released, reduced, discounted or otherwise discharged or compromised by Mortgagor. Mortgagor waives any rights of setoff against any person in possession of any portion of the premises. Mortgagor agrees that it will not assign any of the rents or profits of the premises, except to a purchaser or grantee of the premises.

Nothing herein contained shall be construed as constituting Mortgagee a mortgagee in possession in the absence of the taking of actual possession of the premises by Mortgagee pursuant to Section 19 hereof. In the exercise of the powers herein granted Mortgagee, all such liability being expressly waived and released by Mortgagor.

Mortgagor further agrees to assign and transfer to Mortgagee all future leases upon all or any part of the premises and to execute and deliver, at the request of Mortgagee, all such further assurances and assignments in the premises as Mortgagee shall from time to time require.

Although it is the intention of the parties that the assignment contained in this Section 17 shall be a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that Mortgagee shall exercise any of the rights or powers conferred upon it by this Section until a default shall exist under this mortgage or the Note.

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shall include reasonable compensation to Mortgagee and its agent or agents, if management be delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases), established claims for damages, if any, and premiums on insurance hereinabove authorized;

(b) To the payment of taxes and special assessments now due or which may hereafter become due on the premises;

(c) To the payment of all repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements of the premises, and of placing the premises in such condition as will, in the judgment of Mortgagee, make it readily rentable;

(d) To the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale.

## Mortgagee's Right of Inspection

21. Mortgagee shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.

## Condemnation

22. Mortgagor hereby assigns, transfers and sets over unto Mortgagee the entire proceeds of any award or any claim for damages for any of the premises taken or damages under the power of eminent domain or by condemnation. Mortgagee may elect to apply the proceeds of the award upon or in reduction of the indebtedness secured hereby, whether due or not, or to require Mortgagor to restore or rebuild, in which event the proceeds shall be held by Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoring of buildings or improvements on said premises, in accordance with plans and specifications to be submitted to and approved by Mortgagee. In the event Mortgagor is authorized by Mortgagee's election as aforesaid to build or restore, the proceeds of the award shall be paid out in the same manner as is provided in Section 6 hereof for the payment of insurance proceeds toward the cost of rebuilding or restoration. If the amount of such award is insufficient to cover the cost of rebuilding or restoration, Mortgagor shall pay such cost in excess of the award, before being entitled to reimbursement out of the award. Any surplus which may remain out of said award after payment of such cost of rebuilding or restoration shall, at the option of Mortgagee, be applied on account of the indebtedness secured hereby or be paid to any other party entitled thereto. In applying the proceeds of any award on account of the indebtedness secured hereby, Mortgagee shall be entitled to collect, out of the proceeds of the award, a premium on the amount prepaid, at the same rate as though Mortgagor

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disaffirm any lease or sublease which is then subordinate to the lien hereof; (c) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption for sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; (d) to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the premises as to it may seem judicious; (e) to insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof; and (f) to receive all of such avails, rents, issues and profits; hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without notice to Mortgagor.

Mortgagee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any leases. Mortgagor shall and does hereby agree to indemnify and hold Mortgagee harmless of and from any and all liability, loss or damage which it may or might incur under said leases or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said leases. Should Mortgagee incur any such liability, loss or damage, under said leases or under or by reason of the assignment thereof, or in the defense of any claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby, and Mortgagor shall reimburse Mortgagee therefor immediately upon demand.

## Application of Income Received by Mortgagee

20. Mortgagee, in the exercise of the rights and powers hereinabove conferred upon it by Section 17 and Section 19 hereof shall have full power to use and apply the avails, rents, issues and profits of the premises to the payment of or on account of the following, in such order as Mortgagee may determine.

(a) to the payment of the operating expenses of said property, including cost of management and leasing thereof (which

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with a copy to:

Earle S. Rappaport, Esq.  
Schwartz, Cooper, Kolb & Gaynor Chartered  
20 South Clark Street, Suite 1100  
Chicago, Illinois 60603

or at such other place as either party hereto may by notice in writing designate as a place for service of notice shall constitute service of notice hereunder.

## Waiver of Defense; Remedies Not Exclusive

25. No action for the enforcement of the lien or 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. Mortgagee shall be entitled to enforce payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this mortgage or other agreement or any laws now or hereafter in force, notwithstanding some or all of the said indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this mortgage nor its enforcement whether by court action or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this mortgage and any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given hereby to Mortgagee or to which it may be otherwise entitled, may be exercised, concurrently or independently, from time to time, and as often as it may be deemed expedient by Mortgagee and Mortgagee may pursue inconsistent remedies. No waiver of any default of the Mortgagee hereunder shall be implied from any omission by the Mortgagee or Holders to take any action on account of such default if such default persists or be repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated.

## Waiver of Statutory Rights

26. Mortgagor shall not and will not apply for or avail itself of any appraisalment, valuation, stay, extension or exemption laws or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this mortgage, but hereby waives the benefit of such

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had elected at the time of such application of proceeds (or if Mortgagor then has no such election, as the first succeeding date on which Mortgagor could so elect) to prepay the indebtedness in accordance with the terms of the Note.

## Release Upon Payment and Discharge of Mortgagor's Obligations

23. If Mortgagor shall fully pay all principal and interest on the Note, and all other indebtedness secured hereby and comply with all of the other terms and provisions hereof to be performed and complied with by Mortgagor, then this mortgage shall be null and void. Mortgagee shall release this mortgage and the lien thereof by proper instrument upon payment and discharge of all indebtedness secured hereby and payment of a reasonable fee to Mortgagee for the execution of such release.

## Giving of Notice

24. Any notice which either party hereto may desire or be required to give to the other party shall be in writing and the delivery thereof to the individual to whom addressed or the mailing thereof by certified mail addressed to:

### MORTGAGOR

American National Bank and Trust Company of Chicago  
33 North LaSalle Street  
Chicago, Illinois 60602

with a copy to:

Gail B. Rago, Esq.  
Rudnick & Wolfe  
203 North LaSalle Street  
Suite 1800  
Chicago, Illinois 60601

and to:

Marvin Lebovitz  
5007 S. Lawndale  
Chicago, Illinois 60632

### MORTGAGEE

Exchange National Bank of Chicago  
120 South LaSalle Street  
Chicago, Illinois 60603  
Attention: Mary Jo Sloat

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## Execution of Separate Security Agreement, Financing Statements, etc.

32. Mortgagor, upon request by Mortgagee from time to time, shall execute, acknowledge and deliver to Mortgagee, or cause any Affiliated Person to so execute, acknowledge and deliver to Mortgagee, a Security Agreement, Financing Statement or other similar security instruments, in form satisfactory to Mortgagee, covering all property of any kind whatsoever owned by Mortgagor or such Affiliated Person, as the case may be, which in the sole opinion of Mortgagee is essential to the operation of the premises and which constitutes goods within the meaning of the Uniform Commercial Code or concerning which there may be any doubt whether the title to same has been conveyed by or security interest perfected by this Mortgage under the laws of the state in which the premises are located, and will further execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any financing statement, affidavit, continuation statement or certificate or other documents as Mortgagee may request in order to perfect, preserve, maintain, continue and extend the security interest under and the priority of this mortgage and such security instrument. Mortgagor further agrees to pay to Mortgagee on demand all costs and expenses incurred by Mortgagee in connection with the preparation, execution, recording, filing and refiling of any such document.

## Partial Invalidity, Maximum Allowable Rate of Interest

33. Mortgagor and Mortgagee intend and believe that each provision in this mortgage and the Note comports with all applicable local, state and federal laws and judicial decisions. However, if any provision or provisions, or if any portion of any provision or provisions, in this mortgage or the Note is found by a court of law to be in violation of any applicable local, state or federal ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such portion, provision or provisions of this mortgage and the Note to be illegal, invalid, unlawful, void or unenforceable as written, then it is the intent both of Mortgagor and Mortgagee that such portion, provision, or provisions shall be given force to the fullest possible extent that they are legal, valid and enforceable, that the remainder of this mortgage and the Note shall be construed as if such illegal, invalid unlawful, void or unenforceable portion, provision or provisions were not contained therein, and that the rights, obligations and interest of Mortgagor and Mortgagee under the remainder of this mortgage and the Note shall continue in full force and effect. All agreements herein and in the Note are expressly limited so that in no contingency or event whatsoever, whether by reason of advancement of the proceeds hereof, acceleration of

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laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the premises marshaled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the premises sold as an entirety. Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of this mortgage on behalf of the Mortgagor, the trust estate, and all persons beneficially interested therein, and each and every person except decree or judgment creditors of Mortgagor in its representative capacity and of the trust estate, acquiring any interest in or title to the premises subsequent to the date of this mortgage.

## Post Maturity Rate

28. "Post maturity rate" as used herein shall mean interest at three percent (3%) above the non-default interest rate then in effect.

## Binding on Successors and Assigns

29. This mortgage and all provisions hereof, shall be binding upon Mortgagor and all persons claiming under or through Mortgagor, and shall inure to the benefit of the Holders from time to time and of the successors and assigns of the Mortgagee.

## Definitions of "Mortgagor," "Mortgagee" and "Affiliated Persons"

30. The word "Mortgagor" when used herein shall include: (a) the original Mortgagor named in the preambles hereof; (b) said original Mortgagor's successors and assigns, and (c) all owners from time to time of the premises. The words "Affiliated Persons" when used herein shall mean any and all of: (a) guarantor of any of the obligations of Mortgagor under the Note, this mortgage, or any Loan Agreement; (b) if Mortgagor is a trustee, beneficiaries of the trust, including the general partners of any general or limited partnership which is a beneficiary of the trust. The words "Holders" and "Mortgagee" when used herein shall include all successors and assigns of the original Holders and Mortgagee identified in the preambles hereof.

## Captions

31. The captions and headings of various paragraphs of this mortgage are for convenience only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

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(d) The transfer, pledge or hypothecation, whether by operation of law, voluntarily or otherwise, of more than fifty percent (50%) of the voting stock of any corporate Affiliated Person or of any subsequent corporate mortgagor (other than a land trust mortgagor) who succeeds to title to the premises pursuant to this paragraph 35.

If any of the events set forth in subparagraphs (a)-(d) of this paragraph 35 shall occur without Mortgagee's prior written consent, Mortgagee shall have the right to declare the entire indebtedness secured hereby immediately due and payable and to exercise all rights and remedies granted to Mortgagee under this mortgage in the event of default hereunder. In the event Mortgagee declares the indebtedness due and payable pursuant to this paragraph 35, there shall be added to the principal balance secured hereby an amount equal to the prepayment penalty which would be due if a prepayment in full was then being made pursuant to the terms of the Note.

## Applicable Law

36. This Mortgage, the Note and all other instruments evidencing and securing the loan secured hereby shall be construed, interpreted and governed by the laws of the State of Illinois, provided, however, that in the event all or any portion or portions of the premises are not located in said state, then and in such event the enforcement hereof against the premises, or portion or portions thereof, located outside of such state, and remedies therefor, shall be governed by the laws of the jurisdiction in which the premises or such portions are located.

## Further Instruments

37. Upon request of Mortgagee, Mortgagor will execute, acknowledge and deliver all such additional instruments and further assurances of title and will do or cause to be done all such further acts and things as may reasonably be necessary fully to effectuate the intent of this Mortgage and of the other Loan Documents.

## Pollution

38. (a) Mortgagor represents and warrants that (i) Mortgagor has not used Hazardous Materials (as defined hereinafter) on, from or affecting the premises in any manner which violates federal, State of Illinois or local laws, ordinances, rules, regulations, or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials, and that, to the best of Mortgagor's knowledge

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maturity of the unpaid principal balance of the Note, or otherwise, shall the amount paid or agreed to be paid to the Holders for the use, forbearance or detention of the money to be advanced hereunder exceed the highest lawful rate permissible under applicable usury laws. If, from any circumstances whatsoever, fulfillment of any provision hereof or of the Note or any other agreement referred to herein, at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by law which a court of competent jurisdiction may deem applicable hereto, then, *ipso facto*, the obligation to be fulfilled shall be reduced to the limit of such validity and if from any circumstance the Holders shall ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the unpaid principal balance due under the Note and not to the payment of interest.

## Mortgagee's Lien for Service Charge and Expenses

34. At all times, regardless of whether any loan proceeds have been disbursed, this mortgage secures (in addition to any loan proceeds disbursed from time to time) the payment of any and all loan commissions, service charges, liquidated damages, expenses and advances due to or incurred by Mortgagee in connection with the loan to be secured hereby, all in accordance with the application and loan commitment issued in connection with this transaction.

## Maintenance of Mortgagor's and Affiliated Persons' Interests; Additional Financing

35. Mortgagor shall not suffer or permit any of the following to occur:

(a) The transfer of title to all or any portion of the premises, whether by operation of law, voluntarily or otherwise;

(b) The assignment of the beneficial interest in the trust constituting the Mortgagor, whether by operation of law, voluntarily or otherwise;

(c) The encumbering of title to the premises by the lien of any mortgage, trust deed or other instrument in the nature of the mortgage or trust deed, the collateral assignment, pledge or hypothecation of the beneficial interest in the trust constituting Mortgagor hereunder or the assignment, pledge or hypothecation of the avails, rents, issues or profits of the premises, as, in any case, security for any loan or obligation other than the loan secured hereby; or

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claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to, (a) the presence, disposal, release or threatened release of any Hazardous Materials on, over, under, from, or affecting the premises or the soil, water, vegetation, buildings, personal property, persons or animals thereon; (b) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials; (c) any lawsuit brought or threatened, settlement reached or government order relating to such Hazardous Materials, and/or (d) any violation of laws, orders, regulations, requirements or demands of government authorities, or any policies or requirements of Mortgagee, which are based upon or in any way related to such Hazardous Materials including, without limitation, reasonable attorney's and consultant's fees, investigation and laboratory fees, court costs, and litigation expenses.

This mortgage is executed by American National Bank and Trust Company of Chicago, not personally but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such trustee (and said Bank hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in said Note contained shall be construed as creating any liability on Mortgagor or on said Bank or on any beneficiary who is not a guarantor, personally to pay the said Note or any interest that may accrue thereon, or any indebtedness accruing thereunder, or to perform any covenant either express or implied herein contained (it being understood and agreed that each of the provisions hereof, except the warranty hereinabove contained in this execution clause, shall constitute a condition and not a covenant or agreement, regardless of whether the same may be couched in language of a promise or covenant or agreement), all such liability, if any, being expressly waived by Mortgagee and by every person now or hereafter claiming any right or security hereunder, and that so far as Mortgagor and its successors and said Association personally are concerned, the Holders and the owner or owners of any indebtedness accruing hereunder shall look solely to any one or more of: (1) the premises and the rents, issues and profits thereof for the payment thereof by the enforcement of the lien hereby created, in the manner herein and in the Note provided; (2) assets of the Trust Estate held under the Trust Agreement; (3) any other security given to secure said indebtedness; or (4) the personal liability of the guarantors, if any.

IN WITNESS WHEREOF, American National Bank and Trust Company of Chicago, not personally but as Trustee as aforesaid, has caused

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no prior owner of the premises or any tenant, subtenant, occupant, prior tenant, prior subtenant or prior occupant has used Hazardous Materials on, from or affecting the premises in any manner which violates federal, state or local laws, ordinances, rules, regulations or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials; (ii) Mortgagor has never received any notice of any violations of federal, state or local laws, ordinances, rules, regulations or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials and, to the best of Mortgagor's knowledge, there have been no actions commenced or threatened by any party for noncompliance. For purposes of this Mortgage, "Hazardous Materials" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 9601, et seq.), and in the regulations adopted and publications promulgated pursuant thereto.

(b) Mortgagor shall keep or cause the premises to be kept free of Hazardous Materials, and, without limiting the foregoing, Mortgagor shall not lease or permit the premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose of, transfer, produce, or process Hazardous Materials, except in compliance with all applicable federal, state and local laws and regulations, nor shall Mortgagor cause or permit, as a result of any intentional or unintentional act or omission on the part of Mortgagor, a release of Hazardous Materials onto the premises or onto any other property, and shall exercise its best efforts to prevent a tenant, subtenant or occupant from releasing Hazardous Materials onto the premises or onto any other property.

(c) Mortgagor shall (i) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials, on, under, from or affecting the premises in accordance with all applicable federal, state, and local laws, ordinances, rules, regulations and policies, to the reasonable satisfaction of Mortgagee, and in accordance with the orders and directives of all federal, state, and local governmental authorities, and (ii) defend, indemnify and hold harmless Mortgagee, its employees, agents, officers and directors, from and against any

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these presents to be signed by its Second Vice President and its corporate seal to be hereunto affixed by its ASSISTANT SECRETARY the day and year first above written.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO not personally, but as Trustee under Trust Agreement dated March 7, 1979 and known as Trust Number 45977

By: [Signature]  
Its Second Vice President

ATTEST: [Signature]  
Its ASSISTANT SECRETARY

Property of Cook County Clerk's Office

COOK COUNTY, ILLINOIS  
1989 JUN -7 PM 3:46

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Property of Cook County

AT A POINT WHICH IS 203.59 FEET NORTH OF THE SOUTH LINE OF THE SOUTH 1/4 OF THE EAST 1/4 OF THE NORTH WEST 1/4

of the Northwest 1/4 at a point which is 203.59 feet North of the North line of the South 784.38 feet of said South 1/2 of the East 1/4 of the Northwest 1/4; thence North along the West line of said East 116 feet, having a bearing of North 01 Degrees, 38 Minutes, 23 Seconds West (assumed), a distance of 176.64 feet to the point of beginning; thence continuing along the West line of said East 116 feet a distance of 21.03 feet to a point which is 18 feet Southeastly by radial measurement of the Center line of the East Bound Main Track of the Indiana Harbor Belt Railroad; thence Southwesterly along a straight line which forms an angle of 73 Degrees, 40 Minutes, 30 Seconds from South to Southwest with the last described line a distance of 311.12 feet to the intersection of said line with a curved line convex to the Northwest having a radius of 636.89 feet, said curve being the Northwestly line of a 66 foot wide strip conveyed to the Terminal Railroad Company described in Document Number 2471256 recorded December 1, 1896, and in other Deeds, said point of intersection being 18 feet Southeastly by radial measurement of the Center line of the East bound Main Track of the Indiana Harbor Belt Railroad; thence Southwesterly along said curved line an arc distance of 84.29 feet to its intersection with a curved line convex to the Northwest having a radius of 1,027.00 feet; thence Northeastly along said curved line an arc distance of 368.47 feet to a point of tangency, the chord of said curved line being 366.94 feet and has a bearing of North 67 Degrees, 26 Minutes, 41 Seconds East; thence North 76 Degrees, 18 Minutes, 34 Seconds East along said tangent line a distance of 7.07 feet to the point of beginning.

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29101268

That part of the South 1/2 of the East 1/4 of the Northwest 1/4 of Section 11, Township 38 North, Range 13 East of the Third Principal Meridian commencing at a point on the West line of the East 1/2 of said South 1/2 of the East 1/4

Excluding the following property:

51st Street, all in Cook County, Illinois, and also excepting the South 33 feet thereof taken for West 552.30 feet to the place of beginning, excepting therefrom 1/2 of the East 1/4 of the North West 1/4, a distance of West 1/4, a distance of 844.62 feet to the aforesaid South West corner; thence East along the South line of said South West 1/4, a distance of 116.9 feet; thence South along the West corner of said South 1/2 of the East 1/4 of the North West 1/4 which is 844.62 feet North of the South point in the West line of said South 1/2 of the East 1/4 of the North West 1/4 which is 844.62 feet North of the South line; thence West along a line drawn from said point to a North East to South West with the last described feet and forms an angle of 134 Degrees, 51 Minutes from 290.41 feet, the chord of said curved line being 287.90 Southwesterly along said curved line, an arc distance of Main Track of the Indiana Harbor Belt Railroad; thence radial measurement, of the Center line of the East bound said point of intersection being 18 feet Southeastly, by 2471256, recorded December 4, 1896, and in other deeds, to the Terminal Railroad Company, described in document Northwesterly line of a 66 foot wide strip of land conveyed radius of 636.80 feet, said curved line being the with a curved line, convex to the North West and having a distance of 311.12 feet to the intersection of said line from South to South West with the last described line, a which forms an angle of 73 Degrees, 40 Minutes, 30 Seconds Belt Railroad; thence Southwesterly along a straight line Line of the East bound Main Track of the Indiana Harbor 15 feet Southeastly, by radial measurement, of the Center 116.0 feet, a distance of 1,185.73 feet to a point which is South 1/2; thence north along the West line of said East 116.0 feet of said South 1/2 with the South line of said Beginning at the intersection of the West line of the East

That part of the South 1/2 of the East 1/4 of the North West 1/4 of Section 11, Township 38 North, Range 13 East of the Third Principal Meridian, described as follows:

EXHIBIT A

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EXHIBIT

material adverse change occur

All of the aforesaid property and the proceeds thereof, including the proceeds of insurance thereon, are herein collectively called the "Collateral". The terms used herein to identify the Collateral shall have the respective meanings assigned to such terms as of the date hereof in the Illinois Uniform Commercial Code. The cancellation or surrender of this Note, upon payment or otherwise, shall not affect the right of the Bank to retain the Collateral for any other of the Obligations.

If the Collateral, or any part thereof, is real estate, all covenants, conditions and agreements contained in any such mortgage or other instrument encumbering the real estate, hereby are incorporated herein by express reference, and a default hereunder shall be and constitute a default under this Note and any other of the Obligations. If a separate security agreement is executed by the Underwriter in conjunction with this Note, or any other of the Obligations, all covenants, conditions and agreements contained in the security agreement are hereby incorporated herein by express reference and a default hereunder shall be and constitute a default under this Note and any other of the Obligations.

The Underwriter, or any one of them, agrees to deliver to Bank immediately upon its demand, such other collateral as Bank may request, from time to time, should the value, in the Bank's sole discretion, of the Collateral decline, deteriorate, depreciate or become impaired, or should Bank deem that there is for any reason whatsoever, including but not limited to a change in the financial condition of the Underwriter, or any one of them, or any other party liable with respect to the Obligations, and does hereby grant to Bank a continuing security interest in such other collateral, which, when pledged, assigned and transferred to Bank shall be and become part of the Collateral. The Bank's security interest in each of the foregoing Collateral shall be valid, complete and perfected whether or not the same shall be covered by a specific assignment.

5007 South Lawrence, Chicago, Illinois; Assignment of General Interest and Power of Direction in and Trust a Collateral of even date by and between 303 Building Partnership and Bank; Collateral Assignment of Logo and Ranks of even date by and between Underwriter and Bank.

Three mortgages of even date by and between Underwriter and Bank for premises located at the address described and set forth as follows:

The Underwriter, together with any substitutions thereof, acccessions thereto, or products and proceeds thereof, including the proceeds of insurance or acquired, together with any substitutions thereof, acccessions thereto, or products and proceeds thereof, including the proceeds of insurance hereafter acquired, and now or hereafter in the possession or control of or assigned to the Bank, and the products and proceeds thereof, including other cash equivalents and all other property or whatever description of the Underwriter, or any one of them, whether now existing or limited to: (1) cash, accounts, inventory, negotiable instruments, documents of title, chattel paper, certificates of deposit, securities, deposit or in any way and any property covered by a security agreement signed or assigned by any of the Underwriter in favor of Bank, including, but not otherwise, all dividends, interest, or other rights in connection with any security included in said property coming into the possession of the Bank or any agent or bailee for the Bank, by or for the account of the Underwriter, or any one of them, whether expressly as collateral security or for any other purpose, including, without limitation, all property left with the Bank whether held in a general or special account or for safekeeping or Bank, now or hereafter assigned, transferred or delivered to or left in or coming into the possession, control or custody of, or in transit to, Bank, a continuing security interest in and to any property of the Underwriter, or any one of them, of any kind or description, tangible or intangible, called the "Obligations"; the Underwriter, jointly and severally, do hereby pledge, assign, transfer and deliver to Bank and do hereby grant to Bank a continuing security interest in and to any property of the Underwriter, or any one of them, of any kind or description, tangible or intangible, and howsoever owned, held or acquired, whether now or hereafter existing, which now due or to become due, whether direct or indirect, or any partnership in which any of the Underwriter, or any one of them, is or may be a partner) to Bank, howsoever created, arising or evidenced, As security for the payment of this Note and any and all other liabilities and obligations of the Underwriter, or any one of them, (and of date hereof shall be extended to the next succeeding business day, and interest shall be payable hereon at the rate specified during such extension. hereunder becomes due and payable on Saturday, Sunday or legal holiday under the laws of the United States or the State of Illinois, the due sums due hereunder. Principal payments, submitted in funds not available until collected shall continue to bear interest until collected. If payment The Underwriter, and each one of them, hereby authorize the Bank to charge any account of the Underwriter, and each one of them, for all or of the change in the Reference Rate. The Bank shall not be obligated to give notice of any change in the Reference Rate. The Reference Rate shall be computed on the basis of a year consisting of 360 days and shall be paid for the actual number of days elapsed, unless otherwise specified herein. Bank's lowest or most favorable rate of interest at any one time. Each change in the interest rate hereon shall take effect on the effective date and from time to time, shall be the rate of interest then most recently announced by the Bank as its Reference Rate, which is not necessarily the designation of said rate includes the letter "R" or the term "Reference", such letter or term shall mean the "Reference Rate," which at any time, 1% per annum. A late charge of 5% of each installment past due more than (10) days shall be paid. If the interest after maturity, whether by reason of acceleration or otherwise, shall be paid on the unpaid balance at the rate of 19.94%.

Final installment to equal the total principal balance then remaining unpaid, plus interest on August 1, 1989, and continuing (check one)  monthly, or  quarterly thereafter, and a on the unpaid balance in (check one)  monthly, or  quarterly, installments of \$4,833.33 each (check one)  plus, or  including DOLLARS (\$ 890,000.00) payable with interest from the date hereof, at the rate of 11% per annum.

of Eight Hundred Ninety Thousand and no/100ths Dollars (\$ 890,000.00) Street, Chicago, Illinois 60603 (hereinafter, together with any holder hereof, called "Bank"), at the main office of the Bank located at 120 South LaSalle Street, Chicago, Illinois 60603 (hereinafter, together with any holder hereof, called "Bank"), at the main office of the Bank located at 120 South LaSalle Street, Chicago, Illinois 60603

The Underwriter, jointly and severally, if more than one, for value received, promises to pay to the order of Exchange

Amount: \$ \_\_\_\_\_

Due: As described below

Executed this 6th day of July, 1989

No. \_\_\_\_\_

## INSTALLMENT NOTE

The Bank shall have exercised reasonable care in the custody and preservation of the Collateral if it takes such action for that purpose as the Underwriter, or any one of them, shall reasonably request in writing, provided that such request shall not be inconsistent with Bank's status as a secured party, but the failure to comply with any such request shall not be deemed a failure to exercise reasonable care. No failure of Bank to preserve or protect any rights with respect to the Collateral shall be deemed a failure to exercise reasonable care in the custody or preservation of the Collateral, not so requested by the Underwriter, or any one of them, shall have the sole responsibility for taking such action as may be necessary, from time to time, to preserve all rights of the Underwriter, or any one of them, and Bank in the Collateral against prior or third parties, without limiting the generality of the foregoing, where Collateral consists in whole or in part of securities, the Underwriter, and each one of them, represent to and covenant with the Bank that the Underwriter, and each one of them, has made arrangements for keeping informed of changes or potential changes affecting the securities (including, but not limited to, rights to convert, rights to subscribe, payment of dividends, reorganization or other exchanges, tender offers and voting rights), and the Underwriter, and each one of them, agree that the Bank shall have no responsibility or liability for informing the Underwriter, or any one of them, of any such or other changes or potential changes or for taking any action or omitting to take any action with respect thereto.

All obligations of the Underwriter, or any one of them, and all rights, powers and remedies of the Bank, expressed herein shall be in addition to, and not in limitation of, those provided by law or in any written agreement or instrument (other than this Note) relating to any of the Obligations or any security therefor. In addition to all other rights possessed by it, the Bank may, from time to time, whether before or after default (as hereinafter provided), at its sole discretion, and without notice to the Underwriter, or any one of them, take any or all of the following actions: (1) transfer the whole or any part of securities which may constitute Collateral into the name of itself or its nominee without disclosing, if the Bank so desires, that such securities so transferred are subject to the security interests granted hereunder, and any corporation or association, or any of the managers or trustees of any trust, issuing any of said securities, or any transferee agent, shall not be bound to inquire, in the event that the Bank or said nominee makes any further transfer of said securities, or any portion thereof, as to whether the Bank or the nominee of the Bank has the right to make such further transfer, and shall not be liable for transferring the same; (2) notify any obligors on any of the Collateral to make payment to the Bank of any amounts due or to become due with respect thereto; (3) enforce collection of any of the Collateral by suit or otherwise, or surrender, release or exchange all or any part thereof; (4) take possession or control of any proceeds and products of any of the Collateral, including the proceeds of insurance therefor; (5) extend or renew or modify for one or more periods (whether or not longer than the original period) this Note, or any other of the Obligations, or any obligation of any nature or any obligor with respect to this Note, or any other of the Obligations, or any extension of the Collateral, and grant any releases, compromises or indulgences with respect to this Note, or any other of the Obligations, or any extension or renewal thereof, or any security therefor; or to any obligor hereunder or hereinafter; (6) vote the Collateral; (7) make an election with respect to the Collateral under Section 11 of the United States Bankruptcy Code or take action under Section 364 or any other section of the United States Bankruptcy Code, now existing or hereafter amended; provided, however, that any such action of the Bank as herein set forth shall not, in any manner whatsoever, impair or affect the liability hereunder, nor waive, nor prejudice, nor affect, prejudice or waive Bank's rights and remedies at law, in equity or by statute, nor release or discharge, nor be construed to release or discharge, the Underwriter, or any one of them, or any guarantor or other person, firm, corporation or other person, from, corporation or other person, liable to the Bank for the Obligations and Indebtedness, whether now existing or hereafter created or arising; (8) at any time, and from time to time, accept additions to, releases, reductions, exchanges or substitution of the Collateral, without in any way altering, impairing, diminishing or affecting the provisions of this Note, or any of the other Obligations, or the Bank's rights hereunder and under any of the other Obligations.

The Underwriter, and each one of them, without notice or demand of any kind shall be in default hereunder if: (1) any amount payable on any of the Obligations, or on the obligations of any obligor hereunder, is not paid when due; or (2) the Underwriter, or any one of them, shall otherwise fail to perform any of the promises to be performed by the Underwriter, or any one of them, hereunder or under any other security agreement or other agreement with Bank; or (3) the Underwriter, or any one of them, or any person who is or shall become primarily or secondarily liable for any of the Obligations, who is a natural person, debtor, or any one of them, or any other party liable with respect to the Obligations, or any guarantor or accommodation endorser or third party pledgor, shall make any assignment for the benefit of creditors, or there shall be commenced any bankruptcy, receivership, insolvency, reorganization, dissolution or liquidation proceedings by or against, or the entry of any judgment, levy, attachment, garnishment or other process, or the filing of any lien against any of the Underwriter, or any guarantor, or any other party liable with respect to the Obligations, or accommodation endorser or third party pledgor for any of the Obligations, or against any of the Collateral or any of the Collateral hereunder or any of the Collateral under a separate security agreement signed by any one of them; or (5) there be any deterioration or impairment of any of the Collateral hereunder or any of the Collateral under any security agreement executed by any of the Underwriter, or any other party liable with respect to the Obligations, or any guarantor or accommodation endorser or third party pledgor for any of the Obligations, or against any decline or depreciation in the value or market price thereof (whether actual or reasonably anticipated), which causes and Colateral or collateral in the sole opinion of Bank acting in good faith, to become unsatisfactory as to value or character, or which causes the Bank to reasonably believe that it is insecure and that the likelihood for repayment of the Obligations is or will soon be impaired, time being of the essence; or (6) this Note is secured by an additional or separate security agreement, then the occurrence of any default the under, or (7) there is a discontinuance in the financial condition of the Underwriter from the condition set forth in the most recent financial statement of the Underwriter furnished to the Bank, or from the financial condition of the Underwriter most recently disclosed to Bank in any manner; or (8) any oral or written warranty, representation, certificate or statement of the Underwriter to the Bank is untrue; or (10) the failure to do any act necessary to preserve and maintain the value and collectability of the Collateral; or (11) failure of the Underwriter after request by the Bank to furnish financial information or to permit inspection by the Bank of the Underwriter's books and records; or (12) any guarantor of this Note or of any of the other Obligations shall contest the validity of such guaranty; or (13) the occurrence of any material adverse event which causes a change in the financial condition of the Underwriter, or which would have a material adverse effect on the business of the Underwriter.

Whenever the Underwriter, or any one of them, shall be in default as aforesaid, without demand or notice of any kind, the entire unpaid amount of all Obligations shall become immediately due and payable, and Bank may sell all or any of the Collateral at public or private sale, upon such terms and conditions as Bank may deem proper, and Bank may purchase any or all of the Collateral at any such sale, and Bank may apply the net proceeds, after deducting all costs, expenses, attorneys' fees incurred or paid at any time in the collection, protection and sale of the Collateral and the Obligations, to the payment of this Note and/or any of the other Obligations, returning the excess proceeds, if any, to the Underwriter, or any one of them, the Underwriter, and each one of them, remaining jointly and severally liable for any amount remaining unpaid after such application, with interest; and (2) Bank may exercise, from time to time, any and all rights and remedies available to it under the Uniform Commercial Code of Illinois, or otherwise available to it, including those available under any written instrument (in addition to this Note) relating to any of the Obligations or any security therefor, and may, without demand or notice of any kind, appropriate and apply toward the payment of such of the Obligations, whether matured or unmatured, including costs of collection and attorneys' fees, and in such order of application as the Bank may, from time to time, elect, any balances, credits, deposits, accounts or monies of the Underwriter in possession, control or custody of, or in transit to the Bank, Any notification of intended disposition of any of the Collateral required by law shall be conclusively deemed reasonable and properly given if given at least five (5) calendar days before such disposition hereby confirming, approving and ratifying all acts and deeds of the Bank relating to the foregoing and each part thereof.

proaches or otherwise fails to perform and covenants contained herein.



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THE UNDERSIGNED, AND EACH ONE OF THEM, WAIVE EVERY DEFENSE, CAUSE OF ACTION, COUNTERCLAIM OR SETOFF WHICH THE UNDERSIGNED, OR ANY ONE OF THEM, MAY NOW HAVE OR HEREAFTER MAY HAVE TO ANY ACTION BY BANK IN ENFORCING THIS NOTE AND/OR ANY OF THE OTHER OBLIGATIONS, OR THE COLLATERAL AND RATHER WHAT BANK MAY DO PURSUANT TO THE TERMS HEREOF AND WITH RESPECT TO THE COLLATERAL AND AGREE THAT BANK SHALL NOT BE LIABLE FOR ANY ERROR OF JUDGMENT OR MISTAKE OF FACT OR LAW, THE BANK AND THE UNDERSIGNED, AND EACH ONE OF THEM, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE IRREVOCABLY, THE RIGHT EITHER OR ANY MAY HAVE TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDINGS BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE OR ANY OF THE OTHER OBLIGATIONS, OR THE COLLATERAL, OR ANY AGREEMENT EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH OR ANY COURSE OF CONDUCT OR COURSE OF DEALING, IN WHICH THE BANK AND THE UNDERSIGNED, OR ANY ONE OF THEM, ARE ADVERSE PARTIES. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE BANK GRANTING ANY FINANCIAL ACCOMMODATION TO THE UNDERSIGNED, OR ANY ONE OF THEM.

THE UNDERSIGNED, AND EACH ONE OF THEM, WAIVE EVERY DEFENSE, CAUSE OF ACTION, COUNTERCLAIM OR SETOFF WHICH THE UNDERSIGNED, AND EACH ONE OF THEM, WAIVE ANY AND ALL PRESUMPTIONS, DEMANDS, NOTICE OF DISASTERS, PROTESTS, AND ALL OTHER NOTICES AND DEMANDS IN CONNECTION WITH THE ENFORCEMENT OF BANK'S RIGHTS HEREUNDER, AND HEREBY CONSENT TO, AND WAIVE NOTICE OF, OF ANY OF THE UNDERSIGNED OR OF ANY COLLATERAL. NO DEFAULT SHALL BE WAIVED BY THE BANK EXCEPT IN WRITING. NO DELAY ON THE PART OF THE BANK IN THE EXERCISE OF ANY RIGHT OR REMEDY SHALL OPERATE AS A WAIVER THEREOF, AND NO INQUIRY OR PARTIAL EXERCISE BY THE BANK OF ANY RIGHT OR REMEDY SHALL PRECLUDE OTHER OR FURTHER EXERCISE THEREOF, OR THE EXERCISE OF ANY OTHER RIGHT OR REMEDY. (i) IS VALID, BINDING AND ENFORCEABLE IN ACCORDANCE WITH THE PROVISIONS, AND NO CONDITIONS EXIST TO THE LEGAL EFFECTIVENESS OF THIS NOTE; (ii) CONTAINS THE ENTIRE AGREEMENT BETWEEN THE UNDERSIGNED AND BANK; (iii) IS THE FINAL EXPRESSION OF THEIR INTENTIONS; AND (iv) SUPERSEDES ALL NEGOTIATIONS, REPRESENTATIONS, WARRANTIES, COMMITMENTS, OFFERS, CONTRACTS (OF ANY KIND OR NATURE, WHETHER ORAL OR WRITTEN) PRIOR TO OR CONTEMPORANEOUS WITH THE EXECUTION HEREOF. NO PRIOR OR CONTEMPORANEOUS REPRESENTATIONS, WARRANTIES, UNDERTAKINGS, OFFERS OR AGREEMENTS OF ANY KIND OR NATURE, WHETHER ORAL OR WRITTEN HAVE BEEN MADE BY BANK OR RELIED UPON BY THE UNDERSIGNED IN CONNECTION WITH THE EXECUTION HEREOF. NO MODIFICATION, DISCHARGE, TERMINATION OR WAIVER OF ANY OF THE PROVISIONS HEREOF SHALL BE BINDING UPON THE BANK, EXCEPT AS EXPRESSLY SET FORTH IN WRITING DULY SIGNED AND DELIVERED ON BEHALF OF THE BANK.

THE UNDERSIGNED, AND EACH ONE OF THEM, JOINTLY AND SEVERALLY, AGREE TO PAY ALL COSTS, LEGAL EXPENSES, ATTORNEYS' FEES AND PARALEGALS' FEES OF EVERY KIND, PAID OR INCURRED BY BANK IN ENFORCING ITS RIGHTS HEREUNDER, INCLUDING, BUT NOT LIMITED TO, LITIGATION OR PROCEEDINGS INITIATED UNDER THE UNITED STATES BANKRUPTCY CODE, OR IN RESPECT TO ANY OTHER OF THE OBLIGATIONS, OR IN CONNECTION WITH THE COLLATERAL OR IN DEFENDING AGAINST ANY DEFENSE, CAUSE OF ACTION, COUNTERCLAIM, SETOFF OR CROSSCLAIM BASED ON ANY OF THE OBLIGATIONS OR OMISSION BY THE BANK WITH RESPECT TO THIS NOTE OR ANY OTHER OF THE OBLIGATIONS OR COLLATERAL, OR BOTH, PROMPTLY ON DEMAND OF BANK OR OTHER PERSON PAYING OR INCURRING THE SAME.

THE BANK MAY AT ANY TIME TRANSFER THIS NOTE AND BANK'S RIGHTS IN AND/OR ALL OF THE COLLATERAL, AND BANK HEREAFTER SHALL BE RELIEVED FROM ALL LIABILITY WITH RESPECT TO SUCH COLLATERAL.

TO INDUCE THE BANK TO MAKE THE LOAN EVIDENCED BY THIS NOTE, THE UNDERSIGNED (AND EACH ONE OF THEM, IF MORE THAN ONE) IRREVOCABLY AGREES THAT ALL ACTIONS ARISING DIRECTLY OR INDIRECTLY AS A RESULT OR IN CONSEQUENCE OF THIS NOTE OR ANY OTHER AGREEMENT WITH THE BANK, OR THE COLLATERAL, SHALL BE INSTITUTED AND LITIGATED ONLY IN COURTS HAVING SITUS IN THE CITY OF CHICAGO, ILLINOIS, AND THE UNDERSIGNED (OR ANY, IF MORE THAN ONE) HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT LOCATED AND HAVING ITS SITUS IN SAID CITY, AND WAIVES ANY OBJECTION TO FORUM NON CONVENIENS, AND THE UNDERSIGNED (OR ANY, IF MORE THAN ONE) HEREBY WAIVES PERSONAL SERVICE OR ANY AND ALL PROCESS, AND CONSENTS THAT ALL SUCH SERVICE OR PROCESS MAY BE MADE BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, DIRECTED TO THE UNDERSIGNED AT THE ADDRESS INDICATED IN THE BANK'S RECORDS IN THE MANNER PROVIDED BY APPLICABLE STATE, LAW, RULE OF COURT OR OTHERWISE, FURTHER, MORE, THE UNDERSIGNED, AND EACH ONE OF THEM, WAIVE ALL NOTICES AND DEMANDS IN CONNECTION WITH THE ENFORCEMENT OF THE BANK'S RIGHTS HEREUNDER, AND HEREBY CONSENT TO, AND WAIVE NOTICE OF, THE RELEASE WITH OR WITHOUT CONSIDERATION OF ANY OF THE UNDERSIGNED OR OF ANY COLLATERAL.

NO ACTION SHALL BE COMMENCED BY THE UNDERSIGNED FOR ANY CLAIM AGAINST THE BANK UNDER THE OBLIGATIONS AS HEREBY DEFINED UNLESS A WRITTEN NOTICE SPECIFICALLY SETTING FORTH SAID CLAIM SHALL HAVE BEEN GIVEN TO THE BANK WITHIN THIRTY (30) DAYS AFTER THE OCCURRENCE OF THE EVENT WHICH THE UNDERSIGNED ALLEGES GAVE RISE HERETO. FAILURE TO GIVE SUCH NOTICE SHALL CONSTITUTE A WAIVER OF ANY SUCH CLAIM.

THE LOAN EVIDENCED HEREBY HAS BEEN MADE AND THIS NOTE HAS BEEN DELIVERED AT THE BANK'S MAIN OFFICE. THIS NOTE SHALL BE GOVERNED AND CONTROLLED BY THE LAWS OF THE STATE OF ILLINOIS, IN WHICH STATE IT SHALL BE PERFORMED, AND SHALL BE BINDING UPON THE UNDERSIGNED, AND EACH ONE OF THEM, AND THEIR RESPECTIVE HEIRS, LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS. IF THIS NOTE CONTAINS ANY BLANKS WHICH WERE EXECUTED BY THE UNDERSIGNED, OR ANY ONE OF THEM, THE BANK IS HEREBY AUTHORIZED, WITHOUT NOTICE TO THE UNDERSIGNED, OR ANY ONE OF THEM, TO COMPLETE ANY SUCH BLANKS ACCORDING TO THE TERMS UPON WHICH THE LOAN OR LOANS WERE GRANTED. WHEREVER POSSIBLE, EACH PROVISION OF THIS NOTE SHALL BE INTERPRETED IN SUCH MANNER AS TO BE EFFECTIVE AND VALID UNDER APPLICABLE LAW, BUT IF ANY PROVISION OF THIS NOTE SHALL BE PROHIBITED BY OR BE INVALID UNDER SUCH LAW, SUCH PROVISION SHALL BE SEVERABLE, AND BE INEFFECTIVE TO THE EXTENT OF SUCH PROHIBITION OR INVALIDITY, WITHOUT INVALIDATING THE REMAINING PROVISIONS OF THIS NOTE. IF MORE THAN ONE PARTY SHALL EXECUTE THIS NOTE, THE TERM "UNDERSIGNED" AS USED HEREIN SHALL MEAN ALL PARTIES SIGNING THIS NOTE, AND EACH ONE OF THEM, AND ALL SUCH PARTIES, THEIR RESPECTIVE HEIRS, EXECUTORS, ADMINISTRATORS, SUCCESSORS AND ASSIGNS, SHALL BE, JOINTLY AND SEVERALLY, OBLIGATED HEREUNDER.

IF THE UNDERSIGNED IS A CORPORATION, THE UNDERSIGNED REPRESENTS AND WARRANTS TO BANK THAT THE EXECUTION AND DELIVERY OF THIS NOTE HAS BEEN DULY AUTHORIZED BY RESOLUTIONS HEREOFORER ADOPTED BY ITS BOARD OF DIRECTORS AND SHAREHOLDERS IN ACCORDANCE WITH LAW AND ITS BYLAWS, THAT SAID RESOLUTIONS HAVE NOT BEEN AMENDED NOR RESCINDED, ARE IN FULL FORCE AND EFFECT AND THAT THE OFFICER OR OFFICERS EXECUTING AND DELIVERING THIS NOTE FOR AND ON BEHALF OF THE UNDERSIGNED, IS/ARE DULY AUTHORIZED SO TO ACT. BANK, IN EXTENDING FINANCIAL ACCOMMODATIONS TO THE UNDERSIGNED, IS EXPRESSLY ACTING AND RELYING UPON THE AFORESAID REPRESENTATIONS AND WARRANTIES.

THE UNDERSIGNED, AND EACH ONE OF THEM (IF MORE THAN ONE), ACKNOWLEDGE AND AGREE THAT THE LENDING RELATIONSHIP HEREBY CREATED WITH THE BANK IS AND HAS BEEN CONDUCTED ON AN OPEN AND ARM'S LENGTH BASIS IN WHICH NO FIDUCIARY RELATIONSHIP EXISTS AND THAT THE UNDERSIGNED, AND EACH ONE OF THEM (IF MORE THAN ONE), HAS NOT RELIED AND IS NOT RELYING ON ANY SUCH FIDUCIARY RELATIONSHIP IN CONSUMMATING THE LOANS(S) EVIDENCED BY THIS NOTE.

AS USED HEREIN, ALL PROVISIONS SHALL INCLUDE THE MASCULINE, FEMININE, NEUTER, SINGULAR AND PLURAL THEREOF, WHEREVER THE CONTEXT AND FACTS REQUIRE SUCH CONSTRUCTION AND IN PARTICULAR THE WORD "UNDERSIGNED" SHALL BE SO CONSTRUED.