

MORTGAGE AND SECURITY AGREEMENT

This MORTGAGE AND SECURITY AGREEMENT ("Mortgage") is made August 28, 1990 between FIRST ILLINOIS BANK OF EVANSTON, N.A., as Trustee under a Trust Agreement dated December 3, 1987 and known as Trust R-3463 (hereinafter referred to as "Mortgagor") and NBD BANK EVANSTON, N.A., having an office at Orrington at Davis, Evanston, Illinois 60204, (hereinafter referred to as "Mortgagee").

WITNESSES:

WHEREAS, Mortgagor is indebted to Mortgagee in the principal amount of \$320,000.00 together with interest thereon from and after the date hereof at the rates provided in that certain Mortgage Note ("Mortgage Note") of even date herewith and pursuant to which Mortgagor has promised to repay said amount of \$320,000.00 and interest thereon in monthly installments with the final installment payable, if not sooner paid, on September 15, 1995.

WHEREAS, as a condition of making the loan evidenced by the aforesaid Mortgage Note, Mortgagee has required that Mortgagor mortgage the "Premises" (as hereinafter defined) to the Mortgagee, and Mortgagor has executed, acknowledged, and delivered this Mortgage to secure the indebtedness evidenced by the aforesaid Mortgage Note.

Mortgagor does, by these presents, grant, convey, and mortgage unto Mortgagee, its successors and assigns forever, the Real Estate and all of the estates, rights, titles, and interests therein situated in the County of Cook, State of Illinois, legally described as:

THE WEST 37.5 FEET OF LOT 5 AND ALL OF LOT 6 IN BLOCK 5 IN OSBORNE AND SKILLMAN'S SUBDIVISION OF THE SOUTH 12.5 ACRES OF LOT 9 IN ASSESSORS DIVISION OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 820-22 SEWARD, EVANSTON, ILLINOIS 60202

PERMANENT INDEX NO.: 11-19-323-004 Vol. 058  
11-19-323-005 Vol. 058

sometimes herein referred to as the "Real Estate") which Real Estate, together with the following described property is collectively referred to as the "Premises", together with:

A. All right, title, and interest of Mortgagor, including any after-acquired title or reversion, in and to the beds of the ways, streets, avenues, and alleys adjoining the Premises.

B. All and singular the tenements, hereditaments, easements, appurtenances, passages, liberties, and privileges thereof or in

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1. MORTGAGOR'S COVENANTS. To protect the security of this Mortgage, Mortgagor agrees and covenants with the Mortgagee that Mortgagor shall:

provided, however, that if the Mortgagor shall pay the principal and all interest as provided by the Mortgage Note, and shall pay all other sums herein provided for, or secured hereby, and shall well and truly keep and perform all of the covenants herein contained, then this Mortgage shall be released at the cost of the Mortgagor, otherwise to remain in full force and effect.

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

Uniform Commercial Code).

D. All buildings and improvements of every kind and description now or hereafter erected or placed thereon and all materials intended for construction, reconstruction, alteration, and repairs or such improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the premises immediately upon the delivery thereof to the premises, and all fixtures, equipment, materials and other types of personal property used in the ownership and operation of the improvement situated thereon with parking and other related facilities, in possession of Mortgagor and now or hereafter located in, on, or upon, or installed in or affixed to, the Real Estate legally described herein, or any improvements or structures thereon, together with all accessories and parts now attached to or used in connection with any such equipment, materials and personal property or which may hereafter, at any time, be placed in or added thereto, and also any and all replacements and proceeds of any such equipment, materials and personal property, together with the proceeds of any of the foregoing; it being mutually agreed, intended, and declared that all the aforesaid property shall, so far as permitted by law, be deemed to form a part and parcel of the Real Estate and for the purpose of this Mortgage to be Real Estate, and covered by this Mortgage; and as to any of the property aforesaid which does not so form a part and parcel of the Real Estate or does not constitute a "fixture" (as such term is defined in the Uniform Commercial Code) 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 the Mortgagee as the Secured Party (as such term is defined in the

C. In accordance with the collateral Assignment of Lease and Rents dated of even date herewith, all rents, issues, proceeds, and profits accruing and to accrue from the Premises; and

any way now or hereafter appertaining, including homestead and any other claim at law or in equity as well as any after-acquired title, franchise, or license, and the reversion and reversions and remainder and remainders thereof;

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**A. PAYMENT OF PRINCIPAL AND INTEREST.** Pay promptly when due the principal and interest on the indebtedness evidenced by the Mortgage Note at the times and in the manner herein and in the Mortgage Note provided.

**B. TAXES AND DEPOSITS THEREFOR.** (1) Pay immediately when first due and owing, all general taxes, special taxes, special assessments, water charges, sewer charges, and other charges which may be levied against the Premises, and to furnish to Mortgagee upon request therefor, duplicate receipts therefor within thirty (30) days after payment thereof. Mortgagee may, in good faith and with reasonable diligence, contest the validity or amount of any such taxes or assessments provided: (a) that such contest shall have the effect of preventing the collection of the tax or assessment so contested and shall have the effect of preventing the sale or forfeiture of said Premises or any part thereof, or any interest therein, to satisfy the same; (b) that Mortgagee has notified Mortgagee in writing of the intention of Mortgagee to contest the same, before any tax or assessment has been increased by any interest, penalties, or costs; and (c) that Mortgagee shall have deposited with Mortgagee at such place as Mortgagee may from time to time in writing appoint, a sum of money, bond, Letter of Credit or other security reasonably acceptable to Mortgagee which shall be sufficient in the reasonable judgment of the Mortgagee to pay in full such contested tax and assessment and all penalties and interest that might become due thereon, and shall keep said money on deposit or keep in effect said bond or Letter of Credit in an amount sufficient, in the reasonable judgment of the Mortgagee, to pay in full such contested tax and assessment; and all penalties and interest that might become due thereon, and shall keep on deposit an amount so sufficient at all times, increasing such amount to cover additional penalties and interest whenever, in the reasonable judgment of the Mortgagee, such increase is advisable. In case the Mortgagee, after demand is made upon it by Mortgagee, shall fail to prosecute such contest with reasonable diligence or shall fail to maintain sufficient funds on deposit as hereinabove provided, the Mortgagee may, at its option upon notice to Mortgagee, apply the monies and/or liquidate the securities deposited with Mortgagee, in payment of, or on account of, such taxes and assessments, or any portion thereof then unpaid, including the payment of all penalties and interest thereon. If the amount of the money and/or security so deposited shall be insufficient as aforesaid for the payment in full of such taxes and assessments, together with all penalties and interest thereon, the Mortgagee shall forthwith upon demand, either (i) deposit with the Mortgagee a sum which, when added to the funds then on deposit, shall be sufficient to make such payment in full, or, (ii) in case the Mortgagee shall have applied funds on deposit on account of such taxes and assessments, restore said deposit to an amount reasonably satisfactory to Mortgagee. Provided Mortgagee is not then in default hereunder, the Mortgagee shall, upon the final disposition of such contest and upon Mortgagee's delivery to

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(2) Liability and Business Interruption Insurance. Carry and maintain comprehensive public liability insurance and business interruption (or loss of rentals) insurance as may be required from time to time by the Mortgagee in forms, amounts, and with companies reasonably satisfactory to the Mortgagee. Such liability policy and business interruption insurance shall name Mortgagee as an additional insured party thereunder. Certificates of such insurances, premiums prepaid, shall be deposited with the Mortgagee and shall contain provision for thirty (30) days' notice to the Mortgagee prior to any cancellation thereof.

C. INSURANCE. (1) Hazard. Keep the improvements now existing or hereafter erected on the Premises insured under a replacement cost form of insurance policy against loss or damage resulting from fire, windstorm, and other hazards as may be required by Mortgagee, and to pay promptly, when due, any premiums on such insurance, provided however, Mortgagee may make such payments on behalf of Mortgagee. All insurance shall be in form and content as reasonably approved by the Mortgagee (which shall be carried in companies reasonably acceptable to Mortgagee) and the policies and renewals marked "PAID", shall be delivered to the Mortgagee at least thirty (30) days before the expiration of the old policies and shall have attached thereto standard noncontributing mortgage clause(s) in favor of and entitling Mortgagee to collect any and all of the proceeds payable under all such insurance, as well as standard waiver of subrogation endorsement, if available. Mortgagees shall not carry separate insurance, concurrent in kind or form and contributing in the event of loss, with any insurance required hereunder. In the event of any casualty loss, Mortgagee will give immediate notice by mail to the Mortgagee.

(2) Deposit with the Mortgagee each month on the date when the principal and interest payment under the Mortgage Note is due, an amount equal to 1/12th of the annual real estate taxes for the Real Estate, as reasonably estimated by Mortgagee, on as "January to January" basis and not on a "when issued and payable" basis so that there shall be on deposit with the Mortgagee (i) the estimated amount of unpaid general taxes for the Real Estate for year(s) previous to the year of the month in which the deposit is being made (even though such previous year(s) real estate taxes may not then be in collection); and (ii) an amount for the year in which the deposit is being made equal to the monthly deposit amount multiplied by the calendar number (January being number 1) of the month in which the deposit is required to be made. The funds deposited with the Mortgagee pursuant to the provisions of this paragraph 1(B)(2) shall be used exclusively for the payment of said real estate taxes and pledged to Mortgagee as additional security for the loan evidenced by the Mortgage Note.

Mortgagee of an official bill for such taxes, apply the money so deposited in full payment of such taxes and assessments or that part thereof then unpaid, together with all penalties and interest due thereon and return on demand the balance of said deposit, if any, to Mortgagee.

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D. PRESERVATION AND RESTORATION OF PREMISES AND COMPLIANCE WITH GOVERNMENTAL REGULATIONS. Not permit any building or other improvement on the premises to be materially altered, removed, or demolished, nor shall any fixtures or appliances on, in, or about said buildings or improvements be severed, removed, sold, or mortgaged, without the prior written consent of Mortgagee, and in the event of the demolition or destruction in whole or in part of any of the fixtures, chattels, or articles of personal property covered hereby or by any separate security agreement given in conjunction herewith, the same shall be replaced promptly by similar fixtures, chattels, and articles of personal property at least equal in quality and condition to those replaced, free from any security interest in or encumbrances thereon or reservation of title thereto. Subject to the provisions of Paragraph 19 hereof, Mortgagee shall promptly repair, restore, or rebuild any buildings or improvements now or hereafter on the premises which may become damaged or be destroyed. The buildings and improvements shall be so restored or rebuilt so as to be of at least equal value and substantially the same character as prior to such damage or destruction.

Mortgagee further agrees to permit, commit, or suffer no waste, impairment, or deterioration of the premises or any part of improvement thereof; to keep and maintain the premises and every part thereof in good repair and condition subject to ordinary wear and tear, to effect such repairs as the Mortgagee may reasonably require, and, from time to time, to make all needed and proper replacements and additions thereto so that said buildings, fixtures, machinery, and appliances will, at all times, be in good condition, fit and proper for the respective purposes for which they were originally erected or installed; to comply with all statutes, orders, requirements or decrees relating to said premises as provided in any notice given by any federal, state, or municipal authority; and to observe and comply with all conditions and requirements necessary to preserve and extend any and all rights, licenses, permits (including, but not limited to, zoning variances, special exceptions, and nonconforming uses) privileges, franchises, and concessions which are applicable to the premises or which have been granted to or contracted for by Mortgagee in connection with any existing or presently contemplated use of the said premises.

E. CREATION OF LIENS AND TRANSFER OF OWNERSHIP. (1) Not create, suffer, or permit to be created or filed against the premises, any mortgage lien or other lien whether superior or inferior to the lien of this Mortgage. The Mortgagee may either cause title insurance to be issued insuring that any such liens will not affect the priority of the lien of this Mortgage, or (2) contest any lien claim arising from any work performed, material furnished, or obligations incurred by Mortgagee upon furnishing Mortgagee security and indemnification reasonably satisfactory to Mortgagee for the final payment and discharge thereof;

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(2) Neither permit the Premises, the beneficial interest in Mortgagee, nor a substantial change in the ownership of such beneficial interest, in whole or in part, to be alienated, transferred, conveyed or assigned to any person or entity, nor permit the Lease(s) affecting the Mortgaged Premises to be assigned by the Lessor or the Lessee therein identified.

Any waiver by Mortgagee of the provisions of this Paragraph shall not be deemed to be a waiver of the right of Mortgagee to insist upon strict compliance with the provisions of this Paragraph in the future.

**F\*\* HAZARDOUS WASTE.** The Mortgagee represents and warrants to Mortgagee that (a) the Mortgagee has not used Hazardous Materials (as defined below), on, from or affecting the Premises in any manner which violated 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 the Mortgagee's knowledge, no prior owner of the Premises or any existing or prior tenant, or occupant has used Hazardous Materials on, from, or affecting the Premises in any manner which violates federal, state or local law, ordinances, rules, regulations or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials; (b) the Mortgagee has never received any notice of any violations (and is not aware of any existing 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 at the Premises and, to the best of the Mortgagee's knowledge, there have been no actions commenced or threatened by any party for noncompliance which affects the Premises; (c) Mortgagee shall keep or cause the Premises to be kept free of Hazardous Materials except to the extent that such Hazardous Materials are stored and/or used in compliance with all applicable federal, state and local laws and regulations; and, without limiting the foregoing, Mortgagee shall not cause 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 the compliance with all applicable federal, state and local laws and regulations, nor shall Mortgagee cause or permit, as a result of any intentional or unintentional act or omission on the part of Mortgagee or any tenant, subtenant or occupant, a release, spill, leak or emission of Hazardous Materials onto the Premises or onto any other contiguous property; (d) the Mortgagee shall conduct and complete all investigations, including a comprehensive environmental audit, 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 as required by all applicable federal, state and local laws, ordinances, rules, regulations and policies, to the satisfaction of the Mortgagee, and in accordance with the order and directives of all federal, state and local governmental authorities. If the Mortgagee fails to

\*\*This statement is based solely upon information furnished by the beneficiary of the aforesaid trust. First Illinois Bank of Evanston, N.A., as Trustee, has no personal knowledge of the facts contained herein.

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conduct an environmental audit required by the Mortgagee, then the Mortgagee may at its option and at the expense of the Mortgageor, conduct such audit.

Subject to the limitations set forth below, the Mortgageor shall defend, indemnify and hold harmless the Mortgagee, its employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses, including, without limitation, attorney's and consultant's fees, investigation and laboratory fees, court costs and litigation expenses, 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; (b) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials on the Premises; (c) any lawsuit brought or threatened, settlement reached or government order relating to such Hazardous Materials with respect to the Premises; and/or (d) any violation of laws, orders, regulations, requirements or demands of government authorities, or any policies or requirements of the Mortgagee, which are based upon or in any way related to such Hazardous Materials used in the Premises. The indemnity obligations under this paragraph are specifically limited as follows:

(i) The Mortgageor shall have no indemnity obligation with respect to Hazardous Materials that are first introduced to the Premises or any part of the Premises subsequent to the date that the Mortgageor's interest in and possession of the Premises or any part of the Premises shall have fully terminated by foreclosure of this Mortgage or acceptance of a deed in lieu of foreclosure;

(ii) The Mortgageor shall have no indemnity obligation with respect to any Hazardous Materials introduced to the Premises or any part of the Premises by the Mortgagee, its successors or assigns.

The Mortgageor agrees that in the event this Mortgage is foreclosed or the Mortgageor tenders a deed in lieu of foreclosure, the Mortgageor shall deliver the Premises to the Mortgagee free of any and all Hazardous Materials which are then required to be removed (whether over time or immediately) pursuant to applicable federal, state and local laws, ordinances, rules or regulations affecting the Premises.

For purposes of this Mortgage, "Hazardous Materials" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous or toxic substances or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, (41 U.S.C. SS9601, et seq.), the Hazardous Materials Transportation Act, as amended, (49 U.S. C. SS 1801, et seq.), the Resource

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Conservation and Recovery Act, as amended, (42 U.S.C. 56901 et seq.) and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, state or local governmental law, ordinance, rule or regulation.

\*\*\*\* The provisions of this paragraph shall be in addition to any and all other obligations and liabilities the Mortgagor may have to the Mortgagee hereunder, or under the Mortgage Note or any Loan Documents specified therein, and in common law, and shall survive (a) the repayment of all sums due for the indebtedness evidenced by the Mortgage Note; (b) the satisfaction of all of the other obligations of the Mortgagor in this Mortgage and under any Loan Document; (c) the discharge of this Mortgage; and (d) the foreclosure of this Mortgage or acceptance of a deed in lieu of foreclosure. Notwithstanding anything to the contrary contained in this Mortgage, it is the intention of the Mortgagor and the Mortgagee that the indemnity provisions of this paragraph shall only apply to an action commenced against any owner or operator of the Premises in which any interest of the Mortgagee is threatened or any claim is made against the Mortgagee for the payment of money.

G. FINANCIAL COVENANTS. While any portion of the indebtedness evidenced by the Mortgage Note is outstanding, Mortgagor shall:

(a) By March 31 of each year for the year just immediately ended, provided the Mortgagee with an annual operating statement (to be prepared in accordance with generally accepted accounting principles consistent with the previous years' operating statements) for the Premises, which annual operating statement will indicate the total income for the Premises and the annual expenses therefor, and personal financial statements of Guarantors of the indebtedness evidenced by the Mortgage Note.

(b) Maintain at the Mortgagee the sole commercial checking account for operation of the Premises, which account shall be used for collection and deposit of rents and payment of expenses relative to the Premises.

(c) Maintain at the Mortgagee the sole security deposit account for the Premises.

2. MORTGAGEE'S PERFORMANCE OF DEFAULTED ACTS. In case of default herein, Mortgagee may, but need not, at any time after the giving of any notice and the lapse of any time thereafter which may be required by Paragraph 11 hereof, and subject to the provisions of this Mortgage make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient by Mortgagee, and Mortgagee 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 or junior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or contest any tax or assessment. All monies paid for any of the purposes



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herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other monies 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 by Mortgagor to Mortgagee without notice and with interest thereon at the default Interest Rate as defined herein. 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.

3. EMINENT DOMAIN. So long as any portion of the principal balance evidenced by the Mortgage Note remains unpaid, any and all awards heretofore or hereafter made or to be made to the present and all subsequent owners of the Premises, by any governmental or other lawful authority for taking, by condemnation or eminent domain, of the whole or any part of the Premises or any improvement located thereon, or any easement therein or appurtenant thereto (including any award from the United States Government at any time after the allowance of the claim therefor, the ascertainment of the amount thereof and the issuance of the warrant for payment thereof), are hereby assigned by Mortgagor to Mortgagee, to the extent of the unpaid indebtedness evidenced by the Mortgage Note, which award Mortgagee is hereby authorized to give appropriate receipts and acquittances therefore, and, subject to the terms of Paragraph 19 hereof, Mortgagee shall apply the proceeds of such award as a credit upon any portion of the indebtedness secured hereby or, at its option, permit the same to be used to repair and restore the improvements in the same manner as set forth in Paragraph 19 hereof with regard to insurance proceeds received subsequent to a fire or other casualty to the Premises. Mortgagor shall give Mortgagee immediate notice of the actual or threatened commencement of any such proceedings under condemnation or eminent domain, affecting all or any part of the said Premises or any easement therein or appurtenance thereof, including severance and consequential damage and change in grade of streets, and will deliver to Mortgagee copies of any and all papers served in connection with any such proceedings. Mortgagor shall make, execute, and deliver to Mortgagee, at any time or times upon request, free, clear, and discharged of any encumbrances of any kind whatsoever, any and all further assignments and/or instruments deemed necessary by Mortgagee for the purpose of validly and sufficiently assigning all awards in accordance with and subject to the provisions hereof, and other compensation heretofore and hereafter to be made to Mortgagor for any taking, either permanent or temporary, under any such proceeding. Notwithstanding anything aforesaid to the contrary, Mortgagor shall have the sole authority to conduct the defense of any condemnation or eminent domain proceeding and (so long as the amount of any condemnation or eminent domain award exceeds the unpaid principal balance evidenced by the Mortgage Note) the sole authority to agree to and/or accept the amounts, terms, and conditions of any and all condemnation or eminent domain awards.

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4. ACKNOWLEDGEMENT OF DEBT. Mortgagor shall furnish, from time to time, within thirty (30) days after Mortgagee's request, a written statement of the amount due upon this Mortgage and whether any alleged offsets or defenses exist against the indebtedness secured by this Mortgage.

5. INSPECTION OF BOOKS AND RECORDS. Mortgagor shall keep and maintain full and correct books and records showing in detail the income and expenses of the Premises and within ten (10) days after demand therefore to permit Mortgagee, at normal business hours, to examine such books and records and all supporting vouchers and data, at any time and from time to time, on request at Mortgagor's offices, hereinbefore identified or at such other location as may be mutually agreed upon.

6. ILLEGALITY OF TERMS HEREOF. Nothing herein or in the Mortgage Note contained nor any transaction related thereto shall be construed or shall so operate either presently or prospectively, (a) to require Mortgagor to pay interest at a rate greater than is now lawful in such case to contract for, but shall require payment of interest only to the extent of such lawful rate; or (b) to require Mortgagor to make any payment or do any act contrary to law, and if any clause and provision herein contained shall otherwise so operate to invalidate this Mortgage, in whole or in part, then such clause or clauses and provisions only shall be held for naught as though not herein contained and the remainder of this Mortgage shall remain operative and in full force and effect, and Mortgagee shall be given a reasonable time to correct any such error.

7. SUBROGATION. In the event the proceeds of the loan made by the Mortgagee to the Mortgagor, or any part thereof, or any amount paid out or advanced by the Mortgagee, be used directly or indirectly to pay off, discharge, or satisfy, in whole or in part, any prior lien or encumbrance upon the Premises or any part thereof, then the Mortgagee shall be subrogated to such other lien or encumbrance and to any additional security held by the holder thereof and shall have the benefit of the priority of all of same.

8. EXECUTION OF SECURITY AGREEMENT AND FINANCING STATEMENT.  
That Mortgagor, within five (5) days after request by mail, shall execute, acknowledge, and deliver to Mortgagee a Security Agreement, Financing Statement, or other similar security instrument, in form satisfactory to the Mortgagee, and reasonably satisfactory to the Mortgagor and conforming to the terms hereof covering all property of any kind whatsoever owned by the Mortgagor, which, in the sole opinion of Mortgagee, is essential to the operation of the Premises and concerning which there may be any doubt as to whether the title to same has been conveyed by or a security interest therein perfected by this Mortgage under the laws of the State of Illinois and will further execute, acknowledge, and deliver any financing statement, affidavit, continuation statement or certificate, or other documents as Mortgagee may request in

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(11) any default in the monthly principal and interest payments or in the final principal and accrued interest payment under the Mortgage Note secured hereby, which default or failure remains uncured for a period of five (5) days; or

(1) and failure to provide the insurance specified in Paragraph 1(C)(1) and 1(C)(2) herein;

(a) Events of Default and Remedies. The following shall constitute an event of default under this Mortgage:

## 11. DEFAULT AND FORECLOSURE.

Mortgage Note constitutes a business loan. Mortgagor represents and agrees, and the beneficiary of Mortgage by execution and delivery of the direction to Mortgagor to execute this Mortgage, warrants, represents, and agrees that the proceeds of the Mortgage Note will be used for business purposes, and that the indebtedness evidenced by the Mortgage Note constitutes a business loan.

10. BUSINESS LOAN. Mortgagor represents and agrees, and the beneficiary of Mortgage by execution and delivery of the direction to Mortgagor to execute this Mortgage, warrants, represents, and agrees that the proceeds of the Mortgage Note will be used for business purposes, and that the indebtedness evidenced by the Mortgage Note constitutes a business loan.

All such advances and indebtedness authorized by this Paragraph shall be repayable by Mortgagor upon demand with interest at the Default Interest Rate.

10. BUSINESS LOAN. Mortgagor represents and agrees, and the beneficiary of Mortgage by execution and delivery of the direction to Mortgagor to execute this Mortgage, warrants, represents, and agrees that the proceeds of the Mortgage Note will be used for business purposes, and that the indebtedness evidenced by the Mortgage Note constitutes a business loan.

11. DEFAULT AND FORECLOSURE.

(a) Events of Default and Remedies. The following shall constitute an event of default under this Mortgage:

(1) and failure to provide the insurance specified in Paragraph 1(C)(1) and 1(C)(2) herein;

(11) any default in the monthly principal and interest payments or in the final principal and accrued interest payment under the Mortgage Note secured hereby, which default or failure remains uncured for a period of five (5) days; or

9. MORTGAGOR'S PAYMENT OF GOVERNMENTAL, MUNICIPAL, OR OTHER CHARGES OR LIENS. Upon the occurrence of an event of default hereunder Mortgage is hereby authorized subject to the terms and provisions of this Mortgage, to make or advance, in the place and stead of the Mortgagor, any payment relating to taxes, assessments, water rates, sewer rentals, and other governmental or municipal charges, fines, impositions, or liens asserted against the premises and may do so according to any bill, statement, or estimate procured from the appropriate public office without inquiry into the accuracy of the bill, statement, or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien, or title or claim thereof, and the Mortgagee is further authorized to make or advance in the place and stead of the Mortgagor any payment relating to any apparent or threatened adverse title, lien, statement of lien, encumbrance, claim, or charge; or payment otherwise relating to any other purpose herein and hereby authorized but not enumerated in this Paragraph, and may do so whenever, in its reasonable judgment and discretion, such advance or advances shall seem necessary or desirable to protect the full security intended to be created by this instrument, and provided further, that in connection with any such advance, Mortgagee, in its option, may, and is hereby authorized to obtain a continuation report of title or title insurance policy prepared by a title insurance company of Mortgagee's choosing.

order to perfect, preserve, maintain, continue, and extend the security instrument. Mortgagor further agrees to pay Mortgagee, on demand, all costs and expenses incurred by Mortgagee in connection with the recording, filing, and refiling of any such document.

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Upon the occurrence of an Event of default, the entire indebtedness secured hereby, including, but not limited to, principal and accrued interest shall, at the option of the Mortgagee and without demand or notice to Mortgagee, become

(ix) the untruth or falsity of any of the warranties contained herein, or in any other Loan Document specified in the Mortgage Note and given to secure the payment of the Mortgage Note.

(viii) the Mortgagee, any beneficiary thereof, or guarantor of the Mortgage Note secured hereby, shall make an assignment for the benefit of creditors, or shall admit in writing its or their insolvency or shall consent to the appointment of a receiver or trustee or liquidator of all or any portion of the Premises; or

(vii) any court shall have taken jurisdiction of all or any portion of the Premises or the property of the Mortgagee, any beneficiary thereof, or guarantor of the Mortgage Note secured hereby, and such trustees or receivers shall not be discharged or such jurisdiction relinquished or vacated or stayed on appeal or otherwise stayed within the thirty (30) days after appointment; or

(vi) if the Mortgagee, any beneficiary thereof, or guarantor of the payment of the Mortgage Note secured hereby, shall be adjudicated a bankrupt, or a trustee or a receiver shall be appointed for the Mortgagee or its beneficiary which appointment is not relinquished within thirty (30) days for all or any portion of the Premises or its or their property in any involuntary proceeding; or

(v) if the Mortgagee, any beneficiary thereof, or guarantor of the payment of the Mortgage Note secured hereby, shall file an answer admitting insolvency or inability to pay their debts or fail to obtain a vacation or stay of involuntary proceedings, within thirty (30) days after the filing thereof; or

(iv) if the Mortgagee, any beneficiary thereof, or guarantor of the payment of the Mortgage Note secured hereby, shall file a petition in voluntary bankruptcy or under Chapter VII or Chapter XI of the Federal Bankruptcy Code or any similar law, state or federal, whether now or hereafter existing, which action is not dismissed within thirty (30); or

(iii) any default in the performance or observance of any other term, covenant, or condition in this Mortgage, the Mortgage Note or any Loan Documents specified therein, or in any other instrument now or hereafter evidencing or securing said indebtedness which default continues for thirty (30) days following notice thereof to Mortgagee; or

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(1) 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

and under the powers herein granted: servants, wholly therefrom, and may, in its own name as Mortgagee relating thereto, and may exclude the Mortgagee, its agents or accounts of the Mortgagee or the then owner of the premises, premises, together with all documents, books, records, papers, and take and maintain possession of all or any part of said condition broken and Mortgagee, in its discretion, may either upon part thereof, personally or by its agent or attorneys, as for shall be entitled to take, actual possession of the premises or any of Mortgagee, Mortgagee shall surrender to Mortgagee, and Mortgagee hereof, or before or after sale thereunder, forthwith upon demand after the institution of legal proceedings to foreclose the lien is declared to be immediately due as aforesaid, or whether before or proceedings whether or not the entire principal sum secured hereby the Mortgagee has a right to institute foreclosure under the provisions of Default. In any case in which, under the provisions of

(c) Mortgagee's Right of Possession in Case of Event of

interest thereon at the Default Interest Rate. proceeding, shall be immediately due and payable by Mortgagee, with the commencement of defense of any proceeding or threatened suit or Mortgage, the Mortgage Note or the premises, or in preparation for Mortgage, including the fees of any attorney affecting this protection of said premises and the maintenance of the lien of this mentioned, and such expenses and fees as may be incurred in the expenditures and expenses of the nature in this Paragraph the true condition of the title to or value of the premises. All to bidders at any sale which may be had pursuant to such decree, reasonably necessary either to prosecute such suit or to evidence data and assurances with respect to title as Mortgagee may deem searches and examinations, title insurance policies, and similar entry of the decree, of procuring all abstracts of title, title and cost (which may be estimated as to items to be expended after evidence, stenographers' charges, publication costs, survey costs, fees, appraisers' fees, outlays for documentary and expert or incurred by or on behalf of Mortgagee for reasonable attorney's judgment or decree, all expenditures and expenses which may be paid shall be allowed and included as additional indebtedness in the secure the indebtedness represented by the Mortgage Note, there of this Mortgage or enforce any other remedy of the Mortgagee under this Mortgage, the Mortgage Note, or any other document given to Expense of Litigation. In any suit to foreclose the lien

of the right to exercise the same at any other time. any failure to exercise said option shall not constitute a waiver proceedings according to the statutes in such case provided, and Mortgagee may proceed to foreclose this Mortgage by judicial time after the occurrence of any such Event of default, the Interest Rate, (as hereinafter defined) and, thereupon, or at any the unpaid principal balance of the Mortgage Note at the Default immediately due and payable with interest accruing thereafter on

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(i) to the payment of the operation expenses of the Premises, which shall include reasonable compensation to the Mortgagee or the receiver and its agent or agents, if management of the Premises has been delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and

(d) Mortgagee's determination of priority of payments. Any avals, rents, issues, and profits of the premises received by the Mortgagee after having taken possession of the Premises, or pursuant to any assignment thereof to the Mortgagee under the provisions of this Mortgage or of any separate security documents or instruments shall be applied in payment of or on account of the following, in such order as the Mortgagee (or in case of a receivership) as the court may determine:

(iv) make all necessary or proper repairs, decorations, renewals, replacements, alterations, additions, betterments, and improvements to the Premises as to Mortgagee may seem judicial, to insure and reinsure the Premises and all risks incidental to Mortgagee's possession, operation and management thereof, and to receive all avals, rents, issues and profits.

(iii) extend or modify any then existing lease(s) or management agreement(s) and make new lease(s) or management agreement(s), which extensions, modifications, and new lease(s) or management agreement(s) may provide for terms to expire, or for options to extend or renew terms to expire, or for options to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder and the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such lease(s) and management agreement(s) and the options or other such provisions to be contained therein, shall be binding upon the Mortgagee and all persons whose interests in the Premises are subject to the lien hereof and shall also be binding upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge or the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser;

(ii) cancel or terminate any lease or sublease or management agreement for any cause or on any ground which would entitle Mortgagee to cancel the same;

Mortgagee; 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 avals, rents, issues, and profits of the Premises including actions for recovery of rent, actions in forcible detainer, and actions in distress for rent, 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 the Mortgagee;

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entering into leases, established claims for damages, if any, and premiums on insurance hereinabove authorized;

(ii) to the payment of taxes, special assessments, and water taxes now due or which may hereafter become due on the Premises, or which may become a lien prior to the lien of this Mortgage;

(iii) to the payment of all repairs and replacements, of said Premises and of placing said property in such condition as will, in the judgment of Mortgagee or receiver, make it readily rentable;

(iv) to the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale;

(v) any surplus or remaining funds to the Mortgagee, its successors or assigns, as its rights may appear.

(e) Appointment of Receiver. Upon or at any time after the filing of any complaint to foreclose this Mortgage, the court may, upon application, appoint a receiver of the Premises. Such appointment may be made either before or after sale upon appropriate notice as provided by law and without regard to the solvency or insolvency, at the time of application for such receiver, of the person or persons, if any, liable for the payment of the indebtedness secured hereby and without regard to the then value of the Premises, and without bond being required of the applicant. Such receiver shall have the power to take possession, control, and care of the Premises and to collect the rents, issues, and profits of the Premises during the pendency of such foreclosure suit, and, in case of a sale and deficiency, during the full statutory period of redemption (provided that the period of redemption has not been waived by the Mortgagee), as well as during any further times when the Mortgagee, its heirs, administrators, executors, successors, or the assigns, except for the intervention of such receiver, would be entitled to collect such rents, issues, and profits, and all other powers which may be necessary or are useful in such cases for the protection, possession, control, management, and operation of the Premises during the whole of said period, to extend or modify any then new lease(s) or management agreement(s), and to make new lease(s) or management agreement(s), which extensions, modifications, and new lease(s) or management agreement(s) may provide for terms to expire, or for options to lease(s) to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder, it being understood and agreed that any such lease(s) and management agreement(s) and the options or other such provisions to be contained therein, shall be binding upon Mortgagee 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.

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16

12. RIGHTS AND REMEDIES ARE CUMULATIVE. All rights and remedies herein provided are cumulative and the holder of the Notes secured hereby and of every other obligation secured hereby may recover judgment hereon, issue execution therefor, and resort to every other right or remedy available at law or in equity, without first exhausting and without affecting or impairing the security of any right afforded by this Mortgage.

(j) Default Interest Rate. The "Default Interest Rate" shall be three (3.0%) per cent in excess of the interest rate specified in the Mortgage Note.

(i) Waiver of Statutory Rights. Mortgagor, for itself and all who may claim through or under them, 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, pursuant to rights herein granted, on behalf of the mortgagors and on behalf of each and every person, except decree or judgment creditors of mortgagor acquiring any interest in or title to the premises described herein subsequent to the date of this mortgage.

(h) Sale of Separate Parcels, Right of Mortgagee to Purchase. In the event of any foreclosure sale of said premises, the same may be sold in one or more parcels. Mortgagee may be the purchaser at any foreclosure sale of the premises or any part thereof.

(g) Rescission of or Failure to Exercise. The failure of the mortgagee to exercise the option for acceleration of maturity and/or foreclosure following any event of default as aforesaid, or to exercise any other option granted to the mortgagee hereunder in any one or more instances, or the acceptance by mortgagee of partial payments hereunder, shall not constitute a waiver of any such event of default nor extend or affect any cure period, if any, but such option shall remain continuously in force. Acceleration of maturity, once claimed hereunder by mortgagee, may, at the option of mortgagee, be rescinded by written acknowledgment to that effect by the mortgagee and shall not affect the mortgagee's right to accelerate the maturity for any future event of default.

(f) Application of Proceeds of Foreclosure Suit. 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 Paragraph (b) hereof; SECOND all other items which, under the terms hereof, constitute secured indebtedness additional to that evidenced by the Mortgage Note, with interest thereon at the Default Interest Rate; THIRD, all principal and interest (calculated at the default interest rate) remaining unpaid on the Mortgage Note; and, FOURTH, any overplus to mortgagor, its successors or assigns, as their rights may appear.

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17

17. CAPTIONS. The captions and headings of various paragraphs 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.

16. COVENANTS TO RUN WITH THE LAND. All the covenants hereof shall run with the land.

15. COMMITMENT LETTER. The indebtedness evidenced by the Mortgage Note and secured hereby has been extended to Mortgagee by the Mortgagee pursuant to the terms of a Commitment Letter dated June 1, 1990 from Mortgagee to guarantors of the indebtedness evidenced by the Mortgage Note and subsequently accepted by such guarantors. All terms and conditions of such Commitment Letter, as amended, are incorporated herein by reference as if fully set forth.

14. TIME IS OF THE ESSENCE. It is specifically agreed that time is of the essence of this mortgage. The waiver of the options or obligations secured hereby shall not at any time thereafter be held to be abandonment of such rights. Except as otherwise specifically required, notice of the exercise of any option granted to the Mortgagee herein, or in the Mortgage Note secured hereby is not required to be given.

FIRST ILLINOIS BANK OF EVANSTON, N.A. TRUST R-3463  
800 Davis Street  
Evanston, Illinois 60204

Mortgagee

NBD BANK EVANSTON, N.A.  
Orrington at Davis  
Evanston, Illinois 60204

Mortgagor

13. GIVING OF NOTICE. Any notice or demands which either party hereto may desire or be required to give to the other party, shall be in writing and shall be hand delivered to mailed by certified mail, return receipt requested, addressed to such other party and to their respective attorneys, at the addresses, hereinafter or hereinafter set forth, or at such other address as either party hereto may, from time to time, by notice in writing, designate to the other party, as a place for service of notice. All such notices and demands which are mailed shall be effectively given two (2) business days after the date of post marking. All such notices and demands which are hand delivered, shall be effectively given on the date of such delivery. In case no other address has been so specified, notices and demands hereunder shall be sent to the following address:

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(c) The excess of the insurance proceeds above the amount necessary to complete any necessary restoration shall, after completion of the repair and restoration, be applied as a credit upon any portion, as selected by Mortgagee, of the indebtedness secured hereby, but the funds released by Mortgagee for restoration shall in no event, be deemed a payment of the indebtedness secured hereby.

(iii) In the event such proceeds shall be insufficient to restore the improvements, Mortgagee shall deposit promptly with Mortgagee funds which, together with the insurance proceeds, would be sufficient to restore the improvements.

(ii) Mortgagee shall first re-given satisfactory proof that such improvements have been fully restored or that by the expenditure of the proceeds of insurance, and any sums deposited by Mortgagee pursuant to the terms of subparagraph (iii) hereof, will be fully restored, free and clear of all mechanic's and materialmen's liens, except for liens for which adequate provision is made pursuant to Paragraph 1(E)(1) hereof, within six (6) months from the date of such loss or damage;

(i) No Event of Default shall then exist under any of the terms, covenants and conditions of the Mortgage Note, this Mortgage, or any other documents or instruments evidencing or securing the Mortgage Note;

(b) In the event that Mortgagee elects to make the proceeds of insurance available for the restoration of the improvements so damaged, no disbursement thereof shall occur unless Mortgagee is in compliance with each of the following conditions:

(a)(1) In the event of any such loss or damage to the premises, as described in Paragraph 1(c)(1) hereof, all insurance proceeds payable as a result thereof shall be delivered to Mortgagee, and Mortgagee may use or apply the proceeds of insurance, at its option, as follows: (i) as a credit upon any portion of the indebtedness secured hereby; or (ii) to reimburse Mortgagee for repairing and restoring the improvements, provided that Mortgagee comply with each of the provisions specified in Paragraph 19(b)(1) through 19(b)(iii) hereof, in which event the Mortgagee shall not be obligated to see to the proper application thereof nor shall the amount so released or used for restoration be deemed a payment on the indebtedness secured hereby;

## 19. APPLICATION OF INSURANCE PROCEEDS AND EMINENT DOMAIN AWARDS.

(a)(1) In the event of any such loss or damage to the premises, as described in Paragraph 1(c)(1) hereof, all insurance proceeds payable as a result thereof shall be delivered to Mortgagee, and Mortgagee may use or apply the proceeds of insurance, at its option, as follows: (i) as a credit upon any portion of the indebtedness secured hereby; or (ii) to reimburse Mortgagee for repairing and restoring the improvements, provided that Mortgagee comply with each of the provisions specified in Paragraph 19(b)(1) through 19(b)(iii) hereof, in which event the Mortgagee shall not be obligated to see to the proper application thereof nor shall the amount so released or used for restoration be deemed a payment on the indebtedness secured hereby;

## 18. CONSTRUCTION.

Mortgagee do hereby acknowledge that all negotiations relative to the loan evidenced by the Mortgage Note, this Mortgage, and all other documents and instruments securing the Mortgage Note, took place in the State of Illinois. Mortgagee and Mortgagee (by making the loan evidenced by the Mortgage Note) do hereby agree that the Mortgage Note, this Mortgage and all other documents securing the Mortgage Note shall be construed and enforced according to the laws of the State of Illinois.

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(iv) The rental income to be derived from the improvements, subsequent to such taking by eminent domain, shall not adversely affect the Mortgagor's ability to pay the indebtedness evidenced by the Mortgage Note;

(iii) In the event such award shall be insufficient to restore the improvements, Mortgagor shall deposit promptly with Mortgagee funds which, together with the award proceeds, would be sufficient to restore the improvements;

(ii) Mortgagor shall first be given satisfactory proof that such improvements have been fully restored or that by the expenditure of such award and any sums deposited with Mortgagee pursuant to the terms of subparagraph (iii) hereof, will be fully restored, free and clear of all mechanics' and materialmen's liens, except for liens for which adequate provision is made pursuant to Paragraph 1(E)(1) hereof, within six (6) months from the date of such taking;

(1) No Event of default shall then exist under any of the terms, covenants, and conditions of the Mortgage Note, this Mortgage, or any other documents or instruments evidencing or securing the Mortgage Note;

(2) In the event that Mortgagee elects to make available to the Mortgagor the proceeds of any award for eminent domain to restore any improvements on the Premises, no disbursement thereof shall occur unless Mortgagor is in compliance with each of the following conditions:

(d) In the event Mortgagee shall elect to permit Mortgagor to use such proceeds for the restoring of the improvements, such proceeds shall be made available, from time to time, upon Mortgagee being furnished with satisfactory evidence of the estimated cost of such restoration and with architect's certificates, partial or final waivers of lien, as the case may be, contractors' sworn statements, and if the estimated cost of the work exceeds ten (10%) per cent of the original principal amount of the indebtedness secured hereby, with all plans and specifications for such rebuilding or restoration as Mortgagee may reasonably require and approve. No payment made prior to the final completion of the work shall exceed ninety (90%) per cent of the value of the work performed, from time to time, and at all times the undischarged balance of said proceeds remaining in the hands of the Mortgagee shall be at least sufficient to pay for the cost of completion of the work, free and clear of any liens. In the event of foreclosure of this mortgage, or other transfer of title to the Premises in extinguishment of the indebtedness secured hereby, all right, title and interest of the Mortgagor, in and to any insurance policies then in force, and any claims or proceeds thereunder shall to the extent of the indebtedness, pass to the Mortgagee or any purchaser or grantee.

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21. To the fullest extent permitted by law, Mortgagor agrees that it will not at any time or in any manner whatsoever take any advantage of any stay, exemption or extension law or any so-called "Moratorium Law" now or at any time hereafter in force, nor take any advantage of any law now or hereafter in force providing for the valuation or appraisal of the premises, or any part thereof, prior to any sale thereof to be made pursuant to any provisions herein contained, or to any decree, judgment, or order of any court of competent jurisdiction; or after such sale, claim or exercise any rights under any statute now or hereafter in force to redeem the property so sold, or any part thereof, or relating to the marshaling thereof, upon foreclosure sale or other enforcement hereof. To the fullest extent permitted by law, Mortgagor hereby expressly waives any and all rights it may have to require that the premises be sold as separate tracts or units in the event of foreclosure. To the fullest extent permitted by law, Mortgagor hereby expressly waives any and all rights of redemption under the Illinois Mortgage Foreclosure Law, Ill. Rev. Stat., ch. 110, §§15-1101 et seq. (the "Act"), on its own behalf, on behalf of all persons claiming or having an interest (direct or indirect) by, through, or under Mortgagor and on behalf of each and every person acquiring any interest in or title to the premises subsequent to the date hereof, it being the intent hereof that any and all such rights of redemption of Mortgagor and such other persons, are and shall be deemed to be hereby waived to the fullest extent permitted by applicable law. To the fullest extent permitted by law, Mortgagor

20. BINDING ON SUCCESSOR AND ASSIGNS. Without expanding the liability of any guarantor contained in any instrument of guaranty executed in connection herewith, this Mortgage and all provisions hereof shall extend and be binding upon Mortgagor and all persons claiming under or through Mortgagor, and the work "Mortgagor" when used herein, shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Notes or this Mortgage. The work "Mortgage" when used herein, shall include the successors and assigns of the Mortgagee named herein, and the holder or holders, from time to time, of the Mortgage Note secured hereby. Whenever used, the singular number shall include the plural, and the plural the singular, and the use of any gender shall include all genders.

(v) The excess of the proceeds of the award, above the amount necessary to complete such restoration, shall be applied as a credit upon any portion, as selected by Mortgagee, of the indebtedness secured hereby, but the proceeds of the award released by Mortgagee for restoration shall, in no event, be deemed a payment of the indebtedness secured hereby.

(v) The disbursement of the award will be made according to those provisions of Paragraph 19(d) which relate to the disbursement of insurance proceeds for repair and restoration of the improvements and the conditions precedent to be satisfied by the Mortgagors with regard thereto;

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ATTEST: [Signature]  
Title: Notary Public and Trust Officer

By: [Signature]  
Title: Financial Services Officer  
FIRST ILLINOIS BANK OF EVANSTON, N.A.  
not personally, but as Trustee  
under Trust R-3463

IN WITNESS WHEREOF, Mortgagor has caused these presents to be signed the day and year first above written.

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 insofar as Mortgagor only is  
concerned is payable only out of the property specifically  
described in this Mortgage and other documents securing the payment  
of the Mortgage Note secured hereby, by the enforcement of the  
provisions contained in this Mortgage and other documents or any  
thereof. No personal liability shall be asserted to be enforceable  
against the Mortgagor, because or in respect to said Mortgage Note  
or this Mortgage, or the making, issue or transfer thereof, all  
such liability, of any, being expressly waived by such taker and  
holder hereof, but nothing herein contained shall modify or  
discharge the personal liability expressly assumed by the guarantor  
of said Mortgage Note, and each original and successive holder of  
said Mortgage Note accepts the same upon the express condition that  
no duty shall rest upon the undersigned to sequester the rents,  
issues, and profits arising from the property described in this  
Mortgage or the proceeds arising from the sale or other disposition  
thereof.)

22. This Mortgage is executed by

agrees that it will not, by invoking or utilizing any applicable  
law or laws or otherwise, hinder, delay, or impede the exercise of  
any right, power, or remedy herein or otherwise granted or  
delegated to Mortgagee, but will permit the exercise of every such  
right, power, and remedy, as though no such law or laws have been or  
will have been made or enacted. To the fullest extent permitted by  
law, Mortgagor hereby agrees that no action for the enforcement of  
the lien or any provision hereof shall be subject to any defense  
which would not be good and valid in an action at law upon the  
Mortgage Note. Mortgagor acknowledges that the premises do not  
constitute agricultural real estate as defined in Section 15-1201  
of the Act or residential real estate as defined in Section 15-1219  
of the Act. Mortgagor hereby waives, unless otherwise specifically  
prohibited by law, any and all rights to a jury trial upon  
litigation of any issue, dispute or matter whatsoever which in any  
manner is related or incident to this Mortgage or the transaction  
from which it arises, including enforcement thereof.

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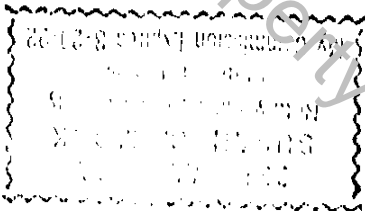
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DEPT-01 RECORDING \$33.00  
TRAN 4790 09/04/90 12:54:00  
#6123 E \*-90-428075  
COOK COUNTY RECORDER

BARBARA N. SAETHER  
EVANSTON, ILLINOIS 60204  
1603 ORKINGTON AVENUE  
NBD BANK EVANSTON, N.A.

THIS INSTRUMENT PREPARED BY: [Signature]  
[Signature]

570828075



(Notary Seal)

Notary Public

Given under my hand and notarial seal this 31st day of August, 1990.

I, SUSAN G. MOCK, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that [Signature], President of FIRST ILLINOIS BANK OF EVANSTON, N.A., and [Signature], Secretary of said FIRST ILLINOIS BANK OF EVANSTON, N.A., personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said FIRST ILLINOIS BANK OF EVANSTON, N.A., as Trustee under Trust R-3463 aforesaid, for the uses and purposes therein set forth; and the said Secretary did also then and there acknowledge that he/she, as custodian for the corporate seal of said FIRST ILLINOIS BANK OF EVANSTON, N.A., did affix the said corporate seal as his/her own free and voluntary act, and as the free and voluntary act of said FIRST ILLINOIS BANK OF EVANSTON, N.A., as Trustee aforesaid, for the uses and purposes therein set forth.

STATE OF ILLINOIS )  
COUNTY OF )  
SS