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MORTGAGE AND SECURITY AGREEMENT

By and Between:

LUTHERAN SOCIAL SERVICES OF ILLINOIS
and VESPER MANAGEMENT CORPORATION,

Mortgagors,

and

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO,
as Master Trustee, Mortgagee

Dated as of August 1, 1990

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This instrument was prepared by
and upon recording return to:

Chapman and Cutler
111 West Monroe Street
Chicago, Illinois 60603
Attention: F. Henry Kieschen III

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MORTGAGE AND SECURITY AGREEMENT

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This is a **MORTGAGE AND SECURITY AGREEMENT** dated as of August 1, 1990 (herein referred to sometimes as "this Mortgage"), between **LUTHERAN SOCIAL SERVICES OF ILLINOIS**, an Illinois not for profit corporation (the "Corporation"), and **VESPER MANAGEMENT CORPORATION**, an Illinois not for profit corporation ("Vesper"), as mortgagors, and **AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking institution duly established and existing under and by virtue of the laws of the United States of America, as master trustee under the Master Indenture hereinafter referred to (the "Master trustee"), as mortgagee.

PRELIMINARY STATEMENT

The Corporation and Vesper have entered into a Master Trust Indenture dated as of August 1, 1990 (the "Master Indenture") with the Master Trustee. Pursuant to the Master Indenture, the Members of the Obligated Group (as such terms are defined in the Master Indenture) are authorized to issue Direct Note Obligations ("Obligations") from time to time. The Corporation and Vesper wish to mortgage and assign to the Master Trustee the property described herein as security for the Obligations and the performance of the obligations of the Obligated Group under the Master Indenture and the Corporation and Vesper hereunder; provided, however, that the maximum aggregate principal amount of Obligations that may be secured hereby is expressly limited to \$500,000,000.

It is hereby recognized that on the date hereof, the Corporation and Vesper are granting a first mortgage on the Mortgaged Property (as hereinafter defined) under a Mortgage dated as of August 1, 1990 (the "Bank Mortgage") from the Corporation and Vesper, as mortgagors, to The Industrial Bank of Japan, Limited, a banking corporation organized under the laws of Japan, acting through its Chicago Branch (the "Bank"), as mortgagee. The Bank Mortgage shall secure the Corporation's and Vesper's obligations under the Reimbursement Agreement dated as of August 1, 1990 among the Corporation, Vesper and the Bank and the other obligations described in the Bank Mortgage. The security interest of the Bank Mortgage with regard to such Mortgaged Property shall be in all respects superior to the security interest of the Master Trustee. The Master Trustee covenants and agrees in the Intercreditor Agreement that so long as the Bank Mortgage is in effect and the Bank has not lost its consent rights pursuant to the Bond Indenture and the Loan Agreements (as such terms are defined in the Master Indenture) the Master Trustee will not avail itself of and waives any and all rights and remedies under this Mortgage.

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GRANTING CLAUSES

In consideration of the premises, the acceptance of the Obligations by the purchasers thereof and for other good and valuable consideration the receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest payable on the Obligations and the performance of all the obligations of the Obligated Group contained in the Master Indenture and of the Corporation and Vesper contained herein, the Corporation and Vesper have executed and delivered this Mortgage and by these presents do assign, grant, mortgage, warrant, convey, transfer, pledge, set over and confirm unto the Master Trustee and its successors and assigns forever, and grant a security interest thereunto in, all the Corporation's and Vesper's right, title and interest in, to and under any and all of the following described property (herein called the "Mortgaged Property"):

DIVISION I

The real estate described in Exhibit A hereto (the "Mortgaged Land"), together with the entire interest (whether now owned or hereafter acquired) in and to said real estate and the entire interest of the Corporation and Vesper in and to all buildings, structures, improvements and appurtenances now standing, or at any time hereafter constructed or placed upon such real estate, including all right, title and interest of the Corporation and Vesper in and to all building materials, building equipment and fixtures of every kind and nature whatsoever on said real estate or in any building, structure or improvement now standing or hereafter constructed on said real estate, and the reversion or reversions, remainder or remainders, in and to said real estate, and together with the entire interest of the Corporation and Vesper in and to all and singular the tenements, hereditaments, easements, rights of way, rights, privileges and appurtenances to said real estate, belonging or in any way appertaining thereto, and all right, title and interest of the Corporation and Vesper in, to and under any streets, ways or alleys adjoining said real estate or any part thereof including all bridges thereover and tunnels thereunder, including without limitation all claims or demands whatsoever of the Corporation and Vesper either in law or in equity, in possession or expectancy of, in and to said real estate, it being the intention of the parties hereto that, so far as may be permitted by law, all property of the character hereinabove described, which is now owned or hereafter acquired by the Corporation and Vesper and affixed to or attached to or placed on said real estate, shall be deemed to be, and shall be considered as, fixtures and appurtenances to said real estate of the Corporation and Vesper, together with all rents, income, issues and profits therefrom:

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DIVISION II

All of the machinery, equipment, furniture and spare parts, including all present and future attachments and accessories thereto and replacements thereof, located on the real estate described in Exhibit A hereto (the "Machinery and Equipment") except for any Machinery and Equipment which is a "hazardous waste" as that term is defined in the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901 et seq., and regulations promulgated thereunder (the "Hazardous Machinery and Equipment"); and

DIVISION III

Any and all other property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred as and for additional security hereunder by the Corporation or Vesper or by anyone on their behalf to the Master Trustee;

SUBJECT, HOWEVER, to Permitted Encumbrances, as defined in the Master Indenture;

TO HAVE AND TO HOLD all and singular, the Mortgaged Property, whether now owned or hereafter acquired, unto the Master Trustee, its successors and assigns forever; provided, however, that this Mortgage is upon the express condition that if the Corporation and Vesper shall pay or cause to be paid all indebtedness secured hereby and shall keep, perform and observe all and singular the covenants and promises in the Obligations, in the Master Indenture and in this Mortgage expressed to be kept, performed and observed by the Corporation, Vesper or the Obligated Group, then this Mortgage and the rights hereby granted shall cease, determine and be void, otherwise to remain in full force and effect.

The Corporation, Vesper and the Master Trustee hereby further covenant and agree as follows:

ARTICLE I

Definitions

The terms used in this Mortgage, unless the context requires otherwise, shall have the same meanings as set forth in the Master Indenture. All accounting terms not otherwise defined in the Master Indenture or herein shall have the meanings assigned to them in accordance with generally accepted accounting principles.

All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Mortgage as a whole and not to any particular Article, Section or other subdivision unless the context indicates otherwise.

ARTICLE II

Representations and Warranties

The Corporation and Vesper make the following representations and warranties as the basis for its covenants herein:

(a) It is a not for profit corporation duly incorporated under the laws of the State, is in good standing and duly authorized to conduct its business in the State, is duly authorized and has full power under the laws of the State and all other applicable provisions of law and its articles of incorporation and by-laws to create, issue, enter into, execute and deliver this Mortgage and all action on its part necessary for the valid execution and delivery of this Mortgage has been duly and effectively taken.

(b) The execution and delivery of this Mortgage, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate restriction or of any agreement or instrument to which the Corporation or Vesper is now a party, and do not and will not constitute a default under any of the foregoing, or result in the creation or imposition of any Lien, charge or encumbrance of any nature upon any of the Property of the Corporation or Vesper except for Permitted Encumbrances. The Corporation and Vesper each has good and marketable fee simple title to its Mortgaged Land and is the lawful owner and is now lawfully seized and possessed of its Mortgaged Property (other than that not presently in existence), free and clear of all liens, security interests, charges and encumbrances whatsoever except Permitted Encumbrances. The Corporation and Vesper each has full power and lawful authority to mortgage and grant a security interest in its Mortgaged Property to the Master Trustee and will preserve, warrant and defend

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the same unto the Master Trustee against the claims of all persons and parties. This Mortgage constitutes (i) a direct and valid second mortgage lien upon the Land, including the fixtures, subject only to Permitted Encumbrances, and (ii) a security interest in the Machinery and Equipment, which security interest is (a) perfected to the extent the same may be perfected by filing under the Illinois Uniform Commercial Code and (b) prior to any other security interest in such Machinery and Equipment, which is perfected solely by filing, subject only to Permitted Encumbrances. The easements, rights-of-way, liens, encumbrances, covenants, conditions, restrictions, exceptions, minor defects, irregularities of title and encroachments on adjoining real estate, if any, now existing with respect to the land do not and will not materially adversely affect the value of the Facilities, the Project or the Property currently affected thereby, or materially impair or materially interfere with the operation and usefulness thereof for the purpose for which they were acquired or are held by the Corporation and Vesper.

(c) It represents and warrants that, except in accordance with applicable law or as disclosed in the environmental site assessments prepared by Huff & Huff dated June, 1990, neither the Corporation, Vesper nor any lessee nor, to the best of its knowledge, any previous owner, tenant, occupant or user of the Mortgaged Property used, generated, released, discharged, stored or disposed of, or is using, generating, releasing, discharging, storing or disposing of, any Hazardous Materials (as defined below) on, under or in the Mortgaged Property, or transported, or is transporting, any Hazardous Materials to or from the Mortgaged Property and that no Hazardous Materials are present on the Mortgaged Property, except in accordance with applicable law. It shall not, except in accordance with applicable law, cause, suffer to exist or permit the presence, use, generation, release, discharge, storage or disposal of any Hazardous Materials on, under or in, or the transportation of any Hazardous Materials to or from, the Mortgaged Property. The term "Hazardous Materials" shall include any substance, material, or waste which is (a) petroleum; (b) asbestos; (c) polychlorinated biphenyls; (d) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. §1251 et seq (33 U.S.C. §1321) or listed pursuant to Section 307 of the Clean Water Act (33

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U.S.C. §1371); (e) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. (42 U.S.C. §6903); (f) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 et seq. (42 U.S.C. §9601); or (g) subject to regulation as a hazardous chemical substance pursuant to Section 6 of the Toxic Substances Control Act, 15 U.S.C. §2601 et seq. (15 U.S.C. §2605).

(c) It represents and warrants that the Mortgaged Property and its intended use substantially and materially comply with applicable laws, governmental regulations and the terms of any enforcement action commenced by any federal, State, regional or local governmental agency, including, without limitation, all applicable federal, State and local laws pertaining to air and water quality, hazardous waste, waste disposal and other environmental matters, including, but not limited to, the Clean Air Act, Federal Water Pollution Control, Solid Waste Disposal, Resource Conservation and Recovery and Comprehensive Environmental Response, Compensation and Liability Acts, and the rules, regulations and ordinances of all applicable federal, State and local agencies and bureaus.

ARTICLE III

General Covenants and Agreements

SECTION 3.1. Master Indenture Covenants. Each and all of the representations, warranties, terms, provisions, restrictions, covenants and agreements set forth in the Master Indenture, and in each and every supplement thereto or amendment thereof which may at any time or from time to time be executed and delivered by the parties thereto or their successors and assigns, are incorporated herein by reference to the same extent as though each and all of said representations, warranties, terms, provisions, restrictions, covenants and agreements were fully set out herein and as though any amendment or supplement to the Master Indenture were fully set out in an amendment or supplement to this Mortgage; and the Corporation and Vesper hereby covenant and agree well and truly to abide by, perform and be governed and restricted by each and all of the matters provided for by the Master Indenture and so incorporated herein to the same extent and with the same force and effect as if each and all of said representations, warranties, terms, provisions,

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restrictions, covenants and agreements so incorporated hereby by reference were set out and repeated herein at length. Without limiting the foregoing, the Corporation and Vesper covenant and agree to pay all taxes, assessments and governmental charges or levies imposed upon this Mortgage, the Series 1990 Obligations, the Credit Obligations, any Additional Obligations or any other indebtedness secured hereby and such amounts shall constitute so much additional indebtedness secured hereby.

SECTION 3.2. Further Assurances; After-Acquired Property. (a) The Corporation and Vesper will each do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such agreements supplemental hereto and all such further acts, deeds, conveyances, mortgages, assignments, instruments, transfers and assurances as the Master Trustee reasonably may require for the better assuring, transferring, mortgaging, conveying, pledging, assigning and confirming unto the Master Trustee all and singular the Mortgaged Property as now or hereafter constituted.

(b) All right, title and interest of the Corporation and Vesper in and to all improvements, betterments, renewals, substitutions and replacements of the Mortgaged Property or any part thereof (except for Excluded Property), hereafter constructed or acquired by the Corporation and Vesper, immediately upon such construction or acquisition, and without any further mortgaging, conveyance or assignment, shall become and be part of the Mortgaged Property and shall be subject to the lien and security interest of this Mortgage as fully and completely and with the same effect as though now owned by the Corporation and Vesper, but at any and all times the Corporation and Vesper will execute and deliver to the Master Trustee all such further assurances, mortgages, conveyances or assignments therefor and other instruments with respect thereto as the Master Trustee may reasonably require for the purpose of expressly and specifically subjecting the same to the lien and security interest of this Mortgage.

SECTION 3.3. Payment of Principal, Premium, if any, and Interest. The Corporation and Vesper will duly and punctually pay the principal of, premium, if any, and interest on the Series 1990 Obligations, the Credit Obligations, and any Additional Obligations secured hereby according to the terms thereof.

SECTION 3.4. Maintenance of Lien; Recording. (a) The Corporation and Vesper will, at their own expense, take all necessary action to maintain and preserve the lien and security interest of this Mortgage so long as the Series 1990 Obligations, the Credit Obligations, or any Additional Obligations are outstanding.

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(b) The Corporation and Vesper will, forthwith after the execution and delivery of this Mortgage and thereafter from time to time, cause this Mortgage and the Master Indenture (including any amendments thereto and supplements thereof) and any financing statements in respect thereof to be filed, registered and recorded in such manner and in such places as may be required by law in order to publish notice of and fully to perfect and protect the lien and security interest hereof upon, and the title of the Corporation and Vesper to, the Mortgaged Property, and from time to time will perform or cause to be performed any other act as provided by law and will execute or cause to be executed any and all continuation statements and further instruments that may be requested by the Master Trustee for such publication, perfection and protection. Except to the extent it is exempt therefrom, the Corporation and Vesper will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgement of such instruments of further assurance, and all federal and State fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Mortgage and such instruments of further assurance.

SECTION 3.5. Maintenance, Repair, Restoration, Liens. The Corporation and Vesper shall (a) pay, when due, any indebtedness that may be secured by a lien or charge on the Mortgaged Property (whether senior, of equal priority, or junior to the lien hereof) and, upon request, exhibit to the Master Trustee satisfactory evidence of the discharge of such lien; (b) complete, within a reasonable time, any building(s) or other improvements now or at any time in the process of erection or rehabilitation upon the Mortgaged Property; (c) comply with all requirements of law, municipal ordinances, and restrictions and covenants of record with respect to the Mortgaged Property and the use thereof; (d) suffer or permit no unlawful use of, or nuisance to exist upon, the Mortgaged Property; and (e) cause the Mortgaged Property to be managed in a competent and professional manner.

SECTION 3.6. Priority of Lien. It is further made an express condition and covenant hereof, that while this Mortgage is in effect, the lien of this Mortgage shall extend to any and all improvements and fixtures, now or hereafter on the Mortgaged Property, prior to any other lien thereon that may be claimed by any person (except for the Bank Mortgage), so that subsequently accruing claims for lien on the Mortgaged Property shall be junior to this Mortgage, except for Permitted Encumbrances.

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SECTION 3.7. Taxes. The Corporation and Vesper shall pay before any penalty attaches all general and special taxes, assessments, water charges, sewer charges and other fees and charges of every kind and nature (all herein generally called "Taxes"), whether or not assessed against the Corporation and Vesper if applicable to the Mortgaged Property or any interest therein or any obligation or agreement secured hereby; and the Corporation and Vesper shall, upon written request, furnish to the Master Trustee duplicate receipts therefor. The Corporation and Vesper shall pay in full under protest in the manner provided by statute any Taxes that the Corporation and Vesper may desire to contest; provided, however, that if deferment of payment of any such Taxes is required to conduct any contest or review, the Corporation and Vesper shall deposit with the Master Trustee the full amount thereof, together with an amount equal to the estimated interest and penalties thereon during the period of contest, and in any event, shall pay such Taxes, notwithstanding such contest, if in the opinion of the Master Trustee, the Mortgaged Property shall be in jeopardy or in danger of being forfeited or foreclosed; and if the Corporation and Vesper shall not pay the same when so required, the Master Trustee may do so and may apply such deposit for such purpose. In the event that any law or decree has the effect of deducting from the value of the land for the purpose of taxation or any lien thereon, or imposing upon the Master Trustee the payment of the whole or any part of the Taxes or liens herein required to be paid by the Corporation or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the interest of the Master Trustee in the Mortgaged Property, or the manner of collection of Taxes, so as to affect this Mortgage or the Master Trustee, then, and in any such event, the Corporation, upon demand by the Master Trustee, shall pay such Taxes, or reimburse the Master Trustee therefor on demand, unless such payment or reimbursement by the Corporation and Vesper is unlawful, in which event there shall be an Event of Default hereunder 30 days after written demand by the Master Trustee to the Corporation and Vesper. Nothing in this Section 3.7 shall require the Corporation and Vesper to pay any income, franchise, or excise tax imposed upon the Master Trustee, except that which may be levied against such income expressly as and for a specific substitute for Taxes pertaining to the Mortgaged Property, and then only in an amount computed as if the Master Trustee derived no income from any source other than its interest hereunder.

SECTION 3.8. Insurance Coverage. The Corporation and Vesper, at their own expense, will insure, including during any construction and thereafter, all of the buildings and improvements now or hereafter included within the Mortgaged Property, and each and every part and parcel thereof as required by the Master Indenture, and in any event including:

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(a) During construction (if any), all-risks package of builder's risk insurance, including owner's, contractor's, and employer's liability insurance, workmen's compensation insurance, and physical damage insurance;

(b) Steam boiler, machinery, and other insurance of the types and in amounts not less than customarily carried by persons owning or operating like properties; and

(c) Flood insurance, where appropriate, but only if available.

SECTION 3.9. Deposits for Taxes and Insurance Premiums. If reasonably requested by the Master Trustee at any time, unless the Corporation and Vesper are already making such deposits with the Bank pursuant to the Bank Mortgage, in order to assure the payment of real estate taxes and insurance premiums payable with respect to the Mortgaged Property as and when the same shall become due and payable.

(a) The Corporation and Vesper shall deposit with the Master Trustee on the first day of each and every month, commencing with the month following the month required by the Master Trustee, an amount equal to:

(i) If the Mortgaged Property is subject to real estate taxes, one-twelfth (1/12) of the real estate taxes next to become due upon the Mortgaged Property; provided that in the case of the first such deposit, there shall be deposited in addition an amount which, when added to the aggregate amount of monthly sums next payable under this subsection (i), will result in a sufficient reserve to pay the Taxes next becoming due one month prior to the date when such real estate taxes are due and payable; plus

(ii) One-twelfth (1/12) of the annual premiums on each policy of insurance upon the Mortgaged Property; provided that in the case of the first such deposit, there shall be deposited in addition an amount which, when added to the aggregate amount of monthly sums next payable under this subsection (ii), will result in a sufficient reserve to pay the

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insurance premiums next becoming due one month prior to the date when such insurance premiums are, in fact, due and payable;

provided that the amount of such deposits (herein generally called "Tax and Insurance Deposits") shall be based upon the Master Trustee's reasonable estimate as to the amount of real estate taxes and insurance premiums next to be payable; and all Tax and Insurance Deposits shall be held by the Master Trustee without any allowance of interest thereon. The Master Trustee shall request the Corporation and Vesper to make the Tax and Insurance Deposits if the Master Trustee has been directed to do so by a written instrument or instruments executed by all Obligation holders.

(b) The Master Trustee will, out of the Tax and Insurance Deposits, upon the presentation to the Master Trustee by the Corporation and Vesper of the bills therefor, pay the insurance premiums and real estate taxes or will, upon the presentation of receipted bills therefor, reimburse the Corporation and Vesper for such payments made by the Corporation and Vesper. If the total Tax and Insurance Deposits on hand shall not be sufficient to pay all of the real estate taxes and insurance premiums when the same shall become due, then the Corporation and Vesper shall pay to the Master Trustee on demand any amount necessary to make up the deficiency and such amount shall constitute so much additional indebtedness secured hereby.

(c) In the event of a default in any of the provisions contained herein or in the Obligations, the Master Trustee may, at its option, without being required so to do, apply any Tax and Insurance Deposits on hand in such manner as provided in Section 507 of the Master Indenture. When the Obligations hereby secured have been fully paid, then any remaining Tax and Insurance Deposits shall be paid to the Corporation and Vesper, as directed by the Corporation.

(d) Notwithstanding anything herein to the contrary, the Master Trustee shall not be liable for any failure to apply to the payment of real estate taxes and insurance premiums any amounts deposited as Tax and Insurance Deposits unless the Corporation and Vesper, while no default exists hereunder, shall have requested the Master Trustee in writing to make application of the Tax and Insurance Deposits on hand to the payment of the particular real estate taxes or

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insurance premiums for the payment of which such Tax and Insurance Deposits were made, accompanied by the bills therefor.

SECTION 3.10. Proceeds of Insurance. In case of loss covered by policies of insurance, the Master Trustee is hereby authorized at its option either (i) to settle and adjust any claim under such policies without the consent of the Corporation and Vesper or (ii) to allow the Corporation and Vesper to agree with the insurance company or companies on the amount to be paid upon the loss subject to the Master Trustee's reasonable consent; provided, however, that the Master Trustee shall not have the right to exercise the powers granted in this Section 3.10 unless there is an Event of Default hereunder, or any event that with notice or passage of time or both would become an Event of Default hereunder, or there has been a decree of foreclosure entered. In any case the Master Trustee shall, and is hereby authorized to, collect and give a receipt for any such insurance proceeds; and the reasonable expenses incurred by the Master Trustee in the adjustment and collection of insurance proceeds shall be so much additional indebtedness hereby secured and shall be reimbursed to the Master Trustee upon demand. The proceeds of any insurance shall be applied as provided in Section 410 of the Master Indenture.

SECTION 3.11. Condemnation. The Corporation and Vesper do hereby assign, transfer and set over unto the Master Trustee the entire proceeds of any award or claim for damages for any of the Mortgaged Property taken or damaged under the power of eminent domain or by condemnation, including any payments made in lieu of or in settlement of a claim or threat of condemnation. The proceeds of any award or claim shall be applied as provided in Section 411 of the Master Indenture.

SECTION 3.12. Hazardous Waste. The Corporation and Vesper hereby indemnify the Master Trustee and agree to hold the Master Trustee harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, the Master Trustee for, with respect to, or as a direct or indirect result of, the presence on or under or the escape, seepage, leakage, spillage, discharge, emission, discharging, or release from, the Mortgaged Property of any Hazardous Material (including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, any so-called "Superfund" or "Superlien" law, or any other present or future Federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing

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liability or standards of conduct concerning, any Hazardous Material or the protection of the environment), regardless of whether or not caused by, or within the control of, the Corporation and Vesper, unless resulting solely from the negligent acts of the Master Trustee.

SECTION 3.13. Stamp Tax. If, by the laws of the United States of America, or of any state or municipality having jurisdiction over the Corporation and Vesper or the Mortgaged Property, any tax is used or becomes due in respect of the issuance of the Obligations, the Corporation and Vesper shall pay such tax in the manner required by such law.

SECTION 3.14. Effect of Extensions of Time and Amendments. If the payment of the indebtedness hereby secured, or any part thereof, be extended or varied, or if any part of the security therefor be released, all persons now or at any time hereafter liable therefor, or interested in the Mortgaged Property, 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 and effect; the right of recourse against all such persons being expressly reserved by the Master Trustee, notwithstanding any such extension, variation, or release. Any person, firm, or corporation taking a junior mortgage or other lien upon the Mortgaged Property or any interest therein shall take the said lien subject to the rights of the Master Trustee to amend, modify, and supplement this Mortgage, the Obligations or the Loan Agreements and to extend the maturity of the indebtedness secured hereby, in each and every case without obtaining the consent of the holder of such junior lien and without the lien of this Mortgage losing its priority over the rights of any such junior lien.

SECTION 3.15. Master Trustee's Performance of the Corporation's and Vesper's Obligations. When any event of Default has occurred and is continuing, the Master Trustee, either before or after acceleration of the indebtedness secured hereby or the foreclosure of the lien hereof and during any period of redemption may, but shall not be required to, make any payment or perform any act herein required of the Corporation and Vesper in any form and manner deemed expedient to the Master Trustee; and the Master Trustee may, but shall not be required to, make full or partial payments of principal or interest on any prior encumbrances and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Mortgaged Property or contest any tax or assessment, and may, but shall not be required to, complete construction, rehabilitation, furnishing, and equipping of the improvements upon the Mortgaged Property and rent, operate and manage the Mortgaged Property and

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such improvements and pay operating costs and expenses, including without limitation management fees, of every kind and nature in connection therewith, so that the Mortgaged Property and improvements shall be operational and usable for their intended purposes. All monies paid for any of the purposes herein authorized, and all expenses paid or incurred in connection therewith, including attorneys' fees and other monies advanced by the Master Trustee to protect the Mortgaged Property and the lien hereof, or to complete construction, furnishing and equipping or to rent, operate and manage the Mortgaged Property and such improvements or to pay any such operating costs and expenses thereof or to keep the Mortgaged Property and improvements operational and usable for its intended purpose, shall be so much additional indebtedness secured hereby, and shall become immediately due and payable without notice, and with interest thereon at the prime rate of the Master Trustee plus 3%. Inaction of the Master Trustee shall never be considered as a waiver of any right accruing to it or account of any default on the part of the Corporation or Vesper. The Master Trustee, in making any payment hereby authorized (a) relating to taxes and assessments, may do so according to any bill, statement, or estimate, without inquiry into the validity of any tax, assessment, sale, forfeiture, tax lien, or title or claim thereof; (b) for the purchase, discharge, compromise or settlement of any other prior lien, may do so without injury as to the validity or amount of any claim for lien which may be asserted; or (c) in connection with the completion of construction, rehabilitation, furnishing or equipping of the improvements or the rental, operation or management of the Mortgaged Property or the payment of operating costs and expenses thereof, may do so in such amounts and to such persons as the Master Trustee may deem appropriate.

SECTION 3.16. Inspection of Mortgaged Property and Records. The Master Trustee shall have the right to inspect the Mortgaged Property and all books, records and documents relating thereto at all reasonable times, and access thereto shall be permitted for that purpose.

SECTION 3.17. Restrictions on Transfer. It shall be an Event of Default hereunder if the Corporation or Vesper shall create, effect, consent to or suffer or permit any conveyance, sale, assignment, lease, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of the Land or any part thereof or interest therein, other than Permitted Encumbrances and as permitted by Section 5.2 hereof.

SECTION 3.18. Corporation's Right of Possession. So long as the Corporation and Vesper are in full compliance with the material terms and provisions of this Mortgage and the

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Obligated Group is in full compliance with the material terms and provisions of the Master Indenture, the Corporation and Vesper shall be suffered and permitted to possess, use and enjoy the properties and appurtenances constituting the Mortgaged Property.

SECTION 3.19. Machinery and Equipment.

The Corporation and Vesper shall:

(a) furnish the Master Trustee from time to time at the Master Trustee's reasonable request written statements and schedules further identifying and describing the Machinery and Equipment in such detail as the Master Trustee may reasonably require;

(b) advise the Master Trustee promptly, in sufficient detail, of any substantial change in the Machinery and Equipment, and of the occurrence of any event which would have a material adverse effect on the value of the Machinery and Equipment or on the Master Trustee's security interest therein;

(c) promptly remit to the Master Trustee all proceeds of the sale, exchange or disposal of the Machinery and Equipment not used to purchase replacement Machinery and Equipment and not received in connection with the sale of obsolete Machinery and Equipment promptly upon the the Corporation's and Vesper's receipt of same subject to the rights, if any, of any holders of purchase money Obligations with respect to such Machinery and Equipment; and

(d) promptly execute and deliver to the Master Trustee such further deeds, mortgages, assignments, security agreements or other instruments, documents, certificates and assurances and take such further action as the Master Trustee may from time to time in its sole discretion deem necessary to perfect, protect or enforce its security interest in the Machinery and Equipment or otherwise to effectuate the intent of this Mortgage.

SECTION 3.20. Illinois Uniform Commercial Code. This Mortgage constitutes a security agreement under the Uniform Commercial Code of Illinois (herein called the "Code") with respect to any part of the Mortgaged Property which may or might now or hereafter be or be deemed to be personal property, fixtures or property other than real estate (all for the purposes of this Section 3.20 called "Collateral"); all of the terms, provisions, conditions and agreements contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property comprising the Mortgaged Property; and the following provisions of this Section 3.20 shall not limit the generality or applicability of any other provision of this Mortgage but shall be in addition thereto:

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(a) The Corporation and Vesper (being the Debtor as that term is used in the Code) are and will be the true and lawful owners of the Collateral, subject to no liens, charges or encumbrances other than Permitted Encumbrances.

(b) The Collateral is to be used by the Corporation and Vesper solely for business purposes, being installed upon the Mortgaged Property for the Corporation's and Vesper's own use or as the equipment and furnishings furnished by the Corporation and Vesper, as landlord, to tenants of the Mortgaged Property.

(c) The Collateral will be kept at the real estate comprised within the Mortgaged Property, and will not be removed therefrom without the consent of the Master Trustee (being the Secured Party as that term is used in the Code), and the Collateral may be affixed to such real estate but will not be affixed to any other real estate.

(d) No financing statement covering any of the Collateral or any proceeds thereof is on file in any public office (other than financing statements with respect to Permitted Encumbrances); and the Corporation and Vesper will at their own cost and expense, upon demand, furnish to the Master Trustee such further information, execute and deliver to the Master Trustee such financing statements and other documents in form satisfactory to the Master Trustee, and do all such acts and things as the Master Trustee may at any time or from time to time reasonably request or as may be necessary or appropriate to establish and maintain a perfected security interest in the Collateral as security for the indebtedness hereby secured, subject to no adverse liens or encumbrances other than Permitted Encumbrances. The Corporation and Vesper will pay the cost of filing or recording such financing statements or other documents and this instrument in all public offices wherever filing or recording is deemed by the Master Trustee to be necessary or desirable.

(e) Upon any Event of Default hereunder and the continuance thereof, the Master Trustee at its option may declare the indebtedness hereby secured immediately due and payable, all as more fully set forth in Section 4.2 hereof, and thereupon the Master Trustee shall have

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the remedies of a secured party under the Code, including, without limitation, the right to take immediate and exclusive possession of the Collateral, or any part thereof, and for that purpose may, so far as the Corporation and Vesper can give authority therefor, with or without judicial process, enter without breach of the peace upon any place that the Collateral or any part thereof may be situated and remove the same therefrom (provided that if Collateral is affixed to real estate, such removal shall be subject to the conditions stated in the Code); and the Master Trustee shall be entitled to hold, maintain, preserve, and prepare the Collateral for sale, until disposed of, or may propose to retain the Collateral subject to the Corporation's and Vesper's right of redemption in satisfaction of the Corporation's and Vesper's obligations as provided in the Code. The Master Trustee, without removal may render the Collateral unusable and dispose of the Collateral on the Mortgaged Property. The Master Trustee may require the Corporation and Vesper to assemble the Collateral and make it available to the Master Trustee for its possession at a place to be designated by the Master Trustee. The Master Trustee will give the Corporation and Vesper reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is made. The requirements of reasonable notice shall be met if such notice is mailed, by first class mail, postage prepaid, to the address of the Corporation shown in this Mortgage or in the Master Trustee's records at least ten (10) days before the time of the sale or disposition. The Master Trustee may buy at any public sale, and if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations, the Master Trustee may buy at private sale. Any such sale may be held as part of and in conjunction with any foreclosure sale of the real estate comprised within the Mortgaged Property, the Collateral and real estate to be sold as one lot if the Master Trustee so elects. The net proceeds realized upon any such disposition, after deduction for the expenses or retaking, holding, preparing for sale, selling or the like and reasonable attorney's fees and legal expenses incurred by the Master Trustee, shall be applied against the indebtedness hereby secured. The Master Trustee will account to the Corporation and Vesper for any surplus realized on such disposition.

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(f) The remedies of the Mortgage hereunder are cumulative and the exercise of any one or more of the remedies provided for herein or under the Code shall not be construed as a waiver of any of the other remedies of the Master Trustee, including having the Collateral deemed part of the realty upon any foreclosure thereof so long as any part of the indebtedness hereby secured remains unsatisfied.

(g) The terms and provisions contained in this Section 3.20 shall, unless the context otherwise requires, have the meanings and be construed as provided in the Code.

(h) This Mortgage is intended to be a financing statement within the purview of Section 9-402(6) of the Code with respect to the Collateral and the goods described at the beginning of this Mortgage, which goods are or are to become fixtures relating to the Mortgaged Property. The addresses of the Corporation and Vesper (Debtor) and the Master Trustee (Secured Party) are set forth in Section 6.3 hereof. This Mortgage is to be filed for record with the Recorder of Deeds of the County or Counties where the Mortgaged Property is located. The Corporation are the record owners of the Mortgaged Property, as indicated in Exhibit A hereto.

ARTICLE IV

Defaults and Remedies Therefor

SECTION 4.1. Event of Default Defined. The Corporation and Vesper acknowledge and agree that each and all of the terms and provisions of Article V of the Master Indenture have been and are incorporated into this Mortgage by reference to the same extent as though fully set out herein and that the term "Event of Default" wherever used in this Mortgage shall mean (i) an Event of Default as defined in Article V of the Master Indenture, (ii) the failure of the Corporation and Vesper to comply with any covenant, agreement or warranty contained in this Mortgage within 30 days after the Master Trustee shall have given written notice thereof to the Corporation and Vesper or (iii) an Event of Default as defined in Section 16 of the Bank Mortgage.

SECTION 4.2. Remedies. When any Event of Default has occurred and is continuing, the Master Trustee may exercise any one or more or all, and in any order, of the remedies set forth in Article V of the Master Indenture, including without limitation the remedies provided therein with respect to real

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property; it being expressly understood that no remedy herein or in the Master Indenture conferred is intended to be exclusive of any other remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given herein or now or hereafter existing at law or in equity or by statute.

SECTION 4.3. Possession by the Master Trustee. When any Event of Default has occurred and is continuing, the Master Trustee shall, if applicable law permits, have the right to enter into and upon the Mortgaged Property and take possession thereof or to appoint an agent or trustee for the collection of the rents, issues and profits of the Mortgaged Property.

SECTION 4.4. Foreclosure. When any Event of Default has occurred and is continuing, the Master Trustee shall have the right to foreclose the lien hereof for the indebtedness hereby secured or any part thereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness hereby secured in the decree of sale, all costs and expenses that may be paid or incurred by or on behalf of the Master Trustee for reasonable attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's 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 and similar data and assurance with respect to title, as the Master Trustee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at sales which may be had pursuant to such decree, the true conditions of the title to or the value of the Mortgaged Property. All expenditures and expenses of the nature mentioned in this Section, and such other expenses and fees as may be incurred in the protection of the Mortgaged Property and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by the Master Trustee in any litigation or proceedings affecting this Mortgage, the Obligations of the Mortgaged Property, including probate, bankruptcy and appellate proceedings, or in preparation of the commencement or defense of any proceedings or threatened suit or proceeding, shall be so much additional indebtedness secured hereby and shall be immediately due and payable by the Corporation and Vesper.

SECTION 4.5. Receiver. 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 Mortgaged Property. Such appointment may be made either before or after sale, without regard to solvency or insolvency of the Corporation and Vesper at the time of application for such receiver, and without regard to the then value of the Mortgaged

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Property or whether the same shall be then occupied as a homestead or not; and the Master Trustee hereunder or any employee or agent thereof may be appointed as such receiver. Such receiver shall have the power to collect the rents, issues and profits of the Mortgaged Property during the pendency of such foreclosure suit and, in case of a sale and deficiency, during the full statutory period of redemption, if any, whether there be a redemption or not, as well as during any further times when the Corporation, except for the intervention of such receiver, would be entitled to collection of such rents, issues and profits and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property during the whole of said period. The court may, from time to time, authorize the receiver to apply the net income from the Mortgaged Property in his hands in payment in whole or in part of: (a) the indebtedness hereby secured or the indebtedness secured by a decree foreclosing this Mortgage, or any tax, special assessment, or other lien that may be or become superior to the lien hereof or of such decree, provided such application is made prior to the foreclosure sale; or (b) the deficiency in case of a sale and deficiency.

SECTION 4.6. Application of Moneys. The proceeds of any right given or action taken under the provisions of this Article by the Master Trustee shall be distributed and applied as provided in Section 507 of the Master Indenture.

SECTION 4.7. Insurance Upon Foreclosure. In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in rebuilding or restoring the buildings or improvements as herein provided, shall be used to pay 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 as the court may direct. In the case of foreclosure of this Mortgage, the court in its decree may provide that the Master Trustee's clause attached to each of the casualty insurance policies may be cancelled and that the decree creditor may cause a new loss clause to be attached to each of said casualty insurance policies making the loss thereunder payable to said decree creditors. In the event of foreclosure sale, the Master Trustee is hereby authorized, without the consent of the Corporation and Vesper, to assign any and all insurance policies to the purchaser at the sale, or to take such other steps as the Master Trustee may deem advisable to cause the interest of such purchaser to be protected by any of the said insurance policies without credit or allowance to the Corporation and Vesper for prepaid premiums thereon.

SECTION 4.8. Rights Cumulative. Each right, power, and remedy herein conferred upon the Master Trustee is cumulative and in addition to every other right, power or remedy, express or implied, given now or hereafter existing, at law or in equity, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient to the Master Trustee and the exercise or the beginning of the exercise of one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy; and no delay or omission of the Master Trustee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

SECTION 4.9. Successors and Assigns. This Mortgage and each and every covenant, agreement and other provision hereof shall be binding upon the Corporation and Vesper and their successors and assigns (including, without limitation, each and every record owner from time to time of the Mortgaged Property or any other person having an interest therein), and shall inure to the benefit of the Master Trustee and its successors and assigns.

ARTICLE V

Supplements and Amendments to this Mortgage; Release and Substitution of Property

SECTION 5.1. Supplements and Amendments to this Mortgage. The Corporation and Vesper, with the consent of the Master Trustee, may from time to time enter into such supplements and amendments to this Mortgage as to it may seem necessary or desirable to effectuate the purposes or intent hereof; provided, however, that no such amendment shall be effective if not adopted in accordance with the terms of the Master Indenture.

SECTION 5.2. Conditions for Release. So long as no Event of Default shall have occurred and be continuing under this Mortgage or under the Master Indenture, the Master Trustee shall release, without the prior consent of any of the Obligation holders, any of the Mortgaged Property or other property subject to the lien or security interest of this Mortgage upon receipt by the Master Trustee of the following:

A. Written Request of Corporation and Vesper. A Written Request of the Corporation and Vesper for such release, describing the property to be released (referred to in this Article V as the "Released Property");

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B. Certificate of Corporation and Vesper. A certificate of the Corporation and Vesper to the Master Trustee certifying:

1. The fair market value of the Released Property and of the property (referred to in this Article V as the "Substituted Property") other than cash to be substituted for the Released Property pursuant to the terms hereof;

2. The disposition to be made of the Released Property and the consideration (which may include cash) to be received for the Released Property and the fair market value of consideration (other than money);

3. That the disposition of the Released Property and the substitution therefor of the Substituted Property will not materially adversely affect the operations of the Corporation's or Vesper's health care or social service Facilities or any other Property of the Corporation and Vesper;

4. That the Substituted Property other than cash or investment securities is necessary or useful to the operation of the Corporation's or Vesper's health care or social service Facilities;

5. That the cash or the fair market value of the Substituted Property together with cash, if any, to be received is at least equal to the fair market value of the Released Property;

6. That the execution and delivery of the release by the Master Trustee and the subjection of the Substituted Property to the lien of this Mortgage will not result in a default hereunder or under the Master Indenture; and

7. That all permits and authorizations of all federal, state and local governmental bodies and agencies have been granted or that no such permits or authorizations are required.

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C. Appraisal of Released Property. An appraisal of the fair market value of the Released Property by a member of the American Institute of Real Estate Appraisers (an "MAI Appraiser") if the Released Property is real property, or by another expert acceptable to the Master Trustee if the Released Property is not real property;

D. Appraisal of Substituted Property. An appraisal of the fair market value of the Substituted Property by an MAI Appraiser if the Substituted Property is real property, or by another expert acceptable to the Master Trustee if the Substituted Property is not real property;

E. Documents of Conveyance. A supplement to this Mortgage and to the Master Indenture (if necessary) and other documents reasonably requested by, and in form satisfactory to, the Master Trustee necessary to subject the Substituted Property to the lien of this Mortgage and, if the Substituted Property is real property, an endorsement to the existing ALTA mortgage loan policy or an additional mortgagee's loan insurance policy, evidencing that the Substituted Property is subject to the lien of this Mortgage subject only to Permitted Encumbrances;

F. Certificate of a Consultant. If the fair market value of the Released Property when added to the fair market value of other Property released pursuant to the provisions of this Article V within the same twelve-month period is in excess of \$250,000, a certificate of a Consultant acceptable to the Master Trustee to the effect set forth in paragraph (B)(3) of this Section 5.2; and

G. Opinion of Counsel. A letter of opinion addressed to the Master Trustee from Independent Counsel satisfactory to the Master Trustee to the effect that:

1. The release of the Property requested by the Corporation or Vesper is authorized hereunder;

2. The Substituted Property is subject to the lien of this Mortgage subject only to Permitted Encumbrances;

3. The execution and delivery of the requested release and the acceptance of the Substituted Property will not violate any provisions of this Mortgage or of the Master Indenture; all necessary action required to be taken by the Corporation or Vesper and the Master Trustee to effect the release of the Released Property and the conveyance of the Substituted Property have been taken;

4. The supplemental amendment hereto, the supplemental indenture to the Master Indenture, if required, and all other documents required to effect the release of the Released Property and substitution therefor of the Substituted Property have been duly authorized, executed and delivered and are binding upon the parties executing and delivering the same in accordance with their respective terms (subject to customary exceptions for laws affecting creditors' rights and the applicability of equitable principles); and

5. To the knowledge of such Independent Counsel, all permits and authorizations of all federal, State and local governmental bodies and agencies have been granted, or that no such permits or authorizations are required.

SECTION 5.3. Disposition of Substituted Property. The Corporation and Vesper agree that (i) the Master Trustee shall invest any cash delivered to it as Substituted Property in Qualified Investments pursuant to a Written Request of the Corporation and Vesper, and any such cash and Qualified Investments shall be held by the Master Trustee in a separate trust account for the benefit and security of the outstanding Obligations; (ii) all income from Qualified Investments pursuant to this Section 5.3 shall be added to the funds held pursuant to this Section 5.3; (iii) funds from time to time on deposit with the Master Trustee pursuant to this Section 5.3 shall be used to make up any deficiencies in the amount available to pay when due the principal, interest and redemption premium on any Obligations, and to the extent funds are used to make up such deficiencies, the Corporation and Vesper will make payment directly to the Master Trustee for deposit in such trust account in the amount of any such deficiencies forthwith; (iv) upon compliance with the terms and provisions of Section 5.2 hereof within three years of the date of initial deposit in such trust account of moneys constituting Substituted Property, such moneys may be released in return for other Substituted Property; and (v)

at the end of such three-year period or upon Written Request of the Corporation and Vesper and provided that no Event of Default shall have occurred and be continuing under the Master Indenture or this Mortgage, any funds held by the Master Trustee pursuant to this Section 5.3 shall be applied by the Master Trustee to redeem or purchase Obligations in accordance with Article III of the Master Indenture. Notwithstanding anything to the contrary, any moneys on deposit with the Master Trustee shall be invested in accordance with, and subject to the terms of, the Tax Exemption Agreement to the extent applicable.

ARTICLE VI

Miscellaneous Provisions

SECTION 6.1. Mortgage for Benefit of Parties Hereto. Nothing in this Mortgage, express or implied, is intended or shall be construed to confer upon, or to give to, any person other than the parties hereto and the holders of the Obligations, any right, remedy or claim under or by reason of this Mortgage or any covenant, condition or stipulation hereof; and the covenants, stipulations and agreements in this Mortgage contained are and shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns and the holders of the Obligations.

SECTION 6.2 Severability. In case any one or more of the provisions contained in this Mortgage or in the Obligations shall be invalid, illegal or unenforceable in any respect the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby.

SECTION 6.3. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when personally delivered or mailed by registered or certified mail, postage prepaid, return receipt requested, with proper address as indicated below. The Corporation, Vesper and the Master Trustee may, by written notice given by each to the other, designate any address or addresses to which notices, certificates or other communications to them shall be sent when required as contemplated by this Mortgage. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

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To the Authority:

Illinois Health Facilities Authority
Suite 2188
35 East Wacker Drive
Chicago, Illinois 60601
Attention: Executive Director

To the Corporation:

Lutheran Social Services of Illinois
1001 East Touhy Avenue
Suite 50
Des Plaines, Illinois 60018
Attention: President

To Vesper:

Vesper Management Corporation
1001 East Touhy Avenue
Suite 50
Des Plaines, Illinois 60018
Attention: President

To the Master Trustee:

American National Bank and Trust
Company of Chicago
33 North LaSalle Street
Chicago, Illinois 60690
Attention: Corporate Trust Department

SECTION 6.4. Successors and Assigns. Whenever in this Mortgage any of the parties hereto is named or referred to, the successors and assigns of such party shall be deemed to be included and all the covenants, promises and agreements in this Mortgage contained by or on behalf of the Corporation or Vesper, or by or on behalf of the Master Trustee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 6.5. Counterparts. This Mortgage is being executed in any number of counterparts, each of which is an original and all of which are identical. Each counterpart of this Mortgage is to be deemed an original hereof and all counterparts collectively are to be deemed but one instrument.

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SECTION 6.6. Governing Law. It is the intention of the parties hereto that this Mortgage and the rights and obligations of the parties hereunder and the Obligations and the rights and obligations of the parties thereunder, shall be governed by and construed and enforced in accordance with, the laws of the State.

SECTION 6.7. Immunity of Officers, Employees and Members of the Authority and the Corporation. No recourse shall be had for the payment of the principal of or premium or interest on any of the Obligations or for any claim based thereon or upon any representation, obligation, covenant or agreement in this Mortgage contained against any past, present or future officer, director, member, employee or agent of the Master Trustee, the Corporation, Vesper or, respectively, of any successor public or private corporation thereto, as such, either directly or through the Master Trustee, the Corporation, Vesper or, respectively, any successor public or private corporation thereto, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, employees, directors or agents, as such, is hereby expressly waived and released as a condition of and consideration for the execution of this Mortgage and the issuance of the Obligations.

SECTION 6.8. Conflicts with Master Indenture. In the event any of the terms or provisions hereof conflict with the Master Indenture, the Master Indenture shall control.

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IN WITNESS WHEREOF, the Corporation, Vesper and the Master Trustee have caused this Mortgage to be executed in their respective corporate names and have caused their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

LUTHERAN SOCIAL SERVICES
OF ILLINOIS

By Donald M. Hallberg
President
The Reverend Donald M. Hallberg

(SEAL)

Attest:

By [Signature]
Assistant Secretary
The Reverend John P. Petersen

VESPER MANAGEMENT CORPORATION

By [Signature]
Vice President
Gerald G. Gibson

(SEAL)

Attest:

By [Signature]
Assistant Secretary
The Reverend John P. Petersen

AMERICAN NATIONAL BANK AND
TRUST COMPANY OF CHICAGO,
as Master Trustee

By [Signature]
Second Vice President
Robert M. Selanowski

(SEAL)

Attest:

By Brian E. Terwilliger
Trust Officer
Brian E. Terwilliger

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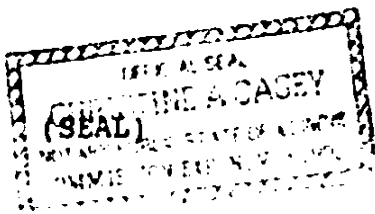
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Christine A. Casey, a Notary Public in and for the said County in the State aforesaid, do hereby certify that The Reverend Donald M. Hallberg and The Reverend John P. Petersen, personally known to be the same persons whose names are, respectively, as President and Assistant Secretary of LUTHERAN SOCIAL SERVICES OF ILLINOIS, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 11th day of September, 1990.

Christine A. Casey

Notary Public in and for
Cook County, Illinois



My commission expires: November 3, 1990

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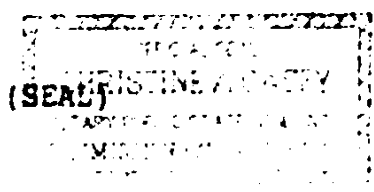
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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Christine A. Casey, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Gerald G. Gibson and The Reverend John P. Petersen, personally known to be the same persons whose names are, respectively, as President and Secretary of VESPER MANAGEMENT CORPORATION, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 11th day of September, 1990.

Christine A. Casey
Notary Public in and for
Cook County, Illinois



My commission expires: November 3, 1990

Cook County Clerk's Office

50443903

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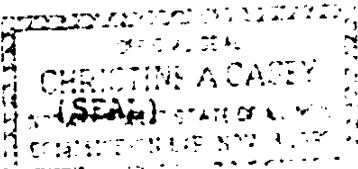
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STATE OF ILLINOIS))
COUNTY OF COOK) SS

I, Christine A. Casey, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Robert M. Selangowski and Brian E. Terwilliger, personally known to be the same persons whose names are, respectively, as Second Vice President and Trust Officer of **AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a banking corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 11th day of September, 1990.

Christine A. Casey
Notary Public in and for
Cook County, Illinois



My commission expires: November 3, 1990

90443303

EXHIBIT A

DESCRIPTION OF LAND

PART I - Corporation Land

Parcel 1:

Lot One in ST. MATTHEW HOME SUBDIVISION, being a subdivision of the West 1/2 of the South 1/2 of the South 1/2 of the Northwest 1/4 of the Northwest 1/4 of Section 23, Township 41 North, Range 12 East of the 3rd Principal Meridian, together with that part of the West 1/2 of Lincoln Avenue lying East of Lot One in St. Matthew Home Subdivision, aforesaid, except the North 53.0 feet thereof, in Cook County, Illinois.

Commonly known as: 1601 North Western Avenue, Park Ridge, Illinois.

Permanent Tax Number: 09-03-101-019

Parcel 2:

THESE PARTS OF THE NORTH WEST 1/4 AND OF THE SOUTH WEST 1/4 OF SECTION 1, TOWNSHIP 40 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTH WEST CORNER OF THE SOUTH WEST 1/4 OF SECTION 1; RUNNING THENCE SOUTH ON THE WEST LINE OF SAID 1/4 SECTION, 6.413 CHAINS; THENCE NORTH 87 DEGREES 35 MINUTES EAST 13.128 CHAINS; THENCE NORTH 51 1/2 DEGREES EAST 6.465 CHAINS TO THE NORTH LINE OF THE SOUTH WEST 1/4 OF SECTION 1; THENCE NORTH 37 DEGREES 35 MINUTES EAST ALONG SAID NORTH LINE TO A POINT AS MEASURED ALONG SAID NORTH LINE WHICH IS 16.104 CHAINS EASTERLY OF THE NORTH WEST CORNER OF THE SOUTH WEST 1/4 OF SAID SECTION; THENCE NORTH 5 DEGREES EAST, 10.50 CHAINS; THENCE WESTERLY 17 CHAINS TO A POINT ON THE WEST LINE OF THE NORTH WEST 1/4 OF SAID SECTION 1, DISTANT 10 CHAINS NORTH OF THE SOUTH WEST CORNER OF THE NORTH WEST 1/4 OF SAID SECTION; THENCE SOUTH ON THE WEST LINE OF SAID NORTH WEST 1/4, 10 CHAINS TO THE POINT OF BEGINNING (EXCEPTING THEREFROM THAT PART LYING WEST OF A LINE 494.11 FEET AS MEASURED ALONG THE EAST AND WEST CENTER LINE OF SAID SECTION EAST OF THE WEST LINE OF SAID SECTION) AND ALSO (EXCEPTING THEREFROM THAT PART TAKEN AND OR USED FOR CANFIELD ROAD), IN COOK COUNTY, ILLINOIS

Commonly known as: 1800 Canfield Road, Park Ridge, Illinois.

Permanent Tax Numbers: 12-01-117-008, 12-01-300-005 and 12-01-300-006.

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PART II - Vesper Land

LOT 1 AND LOT 2 IN BLOCK 7 IN BIRCHWOOD BEACH, A SUBDIVISION OF PART OF SECTION 29, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, SOUTH OF INDIAN BOUNDARY LINE, IN COOK COUNTY, ILLINOIS.

Commonly known as: 7464 North Sheridan Road, Chicago, Illinois.

Permanent Tax Numbers: 11-29-307-019, 11-29-307-020 and
11-29-307-022.

Property of Cook County Clerk's Office

90443903