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JUNIOR MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT

THIS JUNIOR MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT (the "Mortgage") is made and entered into as of the 13th day of February, 1990 from AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally, but solely as Trustee under Trust Agreement dated June 26, 1984 and known as Trust Number 61447 ("Trustee") with its principal place of business at 33 North LaSalle Street, Chicago, Illinois 60690 and GOLF-SKOKIE ASSOCIATES I, an Illinois limited partnership, ("Beneficiary"), with its principal place of business at Two North Riverside Plaza, Suite 600, Chicago, Illinois 60606 (Trustee and Beneficiary are hereinafter jointly and severally referred to as "Mortgagor"), and CONTINENTAL BANK N.A. with its principal place of business at 231 South LaSalle Street, Chicago, Illinois 60697 ("Mortgagee").

WITNESSETH: THAT

WHEREAS, Mortgagor has executed and delivered a note bearing even date herewith in the principal amount of Twenty-Three Million Seven Hundred Fifty Thousand and No/100 Dollars (\$23,750,000.00) made payable to the order of Mortgagee in and by which Mortgagor promises to pay said principal sum (or so much thereof as may be outstanding at the maturity thereof) on or before November 10, 1994, together with interest on the balance of principal from time to time outstanding and unpaid at the rate and in the manner provided in such promissory note (said promissory note, as amended from time to time, and any and all extensions, renewals and increases thereof and any notes issued in replacement or substitution therefor being herein referred to as the "Note"); and

WHEREAS, pursuant to that certain Loan Agreement dated August 14, 1984 by and between Mortgagor, Samuel Zell, Robert Lurie and Bank ("Loan Agreement"), Trustee has executed and delivered a note dated August 14, 1984 in the principal amount of Thirty-Five Million and No/100 Dollars (\$35,000,000.00) made payable to the order of Mortgagee in and by which Trustee promises to pay said principal sum (or so much thereof as may be outstanding at the maturity thereof) on demand, together with interest on the balance of principal from time to time outstanding and unpaid at the rate and in the manner provided in such promissory note (said promissory note, as amended from time to time, and any and all extensions, renewals and increases thereof and any notes issued in replacement or substitution therefor being herein referred to as the "LC Note"); and

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10-15-100-003 154.00  
10-15-100-010 154.00  
10-15-100-004 154.00  
10-15-100-012 154.00  
10-15-100-009 154.00  
10-15-100-011 154.00

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02 - 02/08/90

Permanent Index No.

This document prepared by and after recording should be returned to:

- 10-15-100-005
- 10-15-100-003
- 10-15-100-010
- 10-15-100-004
- 10-15-100-012
- 10-15-100-009
- 10-15-100-011

90075212

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333 West Wacker Drive  
Suite 2700  
Chicago, Illinois 60606

Property Address:  
4709-11 Golf Road  
Skokie, Illinois 60007

N24-19017-14  
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WHEREAS, pursuant to the Loan Agreement, Trustee has executed and delivered a note dated August 14, 1984 in the principal amount of Ten Million and No/100 Dollars (\$10,000,000.00) made payable to the order of Mortgagee in and by which Trustee promises to pay said principal sum (or so much thereof as may be outstanding at the maturity thereof) on demand, together with interest on the balance of principal from time to time outstanding and unpaid at the rate and in the manner provided in such promissory note (said promissory note, as amended from time to time, and any and all extensions, renewals and increases thereof and any notes issued in replacement or substitution therefor (being herein referred to as the "LC Junior Note"); and

WHEREAS, Mortgagee is unwilling to make the loan evidenced by the Note unless, among other things, Mortgagor shall execute and deliver this Mortgage to Mortgagee for the purpose of securing the LC Note, LC Junior Note and the Note;

NOW, THEREFORE, Mortgagor, in order to induce Mortgagee to make the loan (the "Loan") evidenced by the Note and in consideration of Ten Dollars (\$10.00) and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, does by these presents, grant a lien against and security interest in, and grant, bargain, sell, convey, mortgage, assign and pledge unto and Beneficiary hereby warrants unto Mortgagee, its successors and assigns, all and singular the properties, rights, interests and privileges described in the Granting Clauses below and all proceeds thereof (it being mutually agreed that none of said Granting Clauses shall be deemed to limit or abridge the scope of any other Granting Clause), all of the same being collectively referred to herein as the "Mortgaged Premises" (it being mutually agreed, intended and declared that the Mortgaged Premises shall, so far as permitted by law, be deemed to form a part and parcel of the Real Property described in Granting Clause I and for the purpose of this instrument to be real estate and covered by this Mortgage; and as to the balance of the Mortgaged Premises and all proceeds thereof, this Mortgage is hereby deemed to be as well a security agreement for the purpose of creating hereby a security interest in said property and the proceeds thereof, which is hereby granted by Mortgagor as debtor to Mortgagee as secured party securing the indebtedness secured hereby, as hereinafter defined):

## GRANTING CLAUSE I

That certain real estate lying in Cook County, Illinois, more particularly described in Exhibit A attached hereto and made a part hereof (the "Real Property").

## GRANTING CLAUSE II

All buildings and improvements of every kind and description now or hereafter erected or placed on the Real Property or any part thereof and owned, legally, equitably or beneficially, by Mortgagor and all materials intended for construction, reconstruction, alteration or repair of such buildings and improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the Mortgaged Premises immediately upon the delivery thereof to the Real Property and all fixtures, machinery, apparatus, equipment, fittings, goods and articles of personal property of every kind and nature whatsoever now or hereafter

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owned, legally, equitably or beneficially, by Mortgagor, if any, and attached to or contained in or used in connection with the Real Property or any part thereof (including, but not limited to, all machinery, pumps, conduits, motors, fittings, radiators, awnings, shades and screens; all gas, coal, steam, electric, oil and other heating, cooking, power and lighting apparatus and fixtures; all cooling and ventilating apparatus and systems; all boilers, ranges, ovens, refrigerators, appliances and air cooling and air conditioning apparatus; all plumbing, refrigerating, extinguishing, incinerating and sprinkler equipment and fixtures; all elevators and escalators; all communication equipment; all other machinery and other equipment of every kind and nature and all fixtures and appurtenances thereto; and all items of furniture, furnishings, equipment and personal property used or useful in the operation of the Real Property); and all renewals or replacements thereof or articles in substitution therefor or accessions thereto, whether or not the same are or shall be attached in any manner to any building or buildings located on the Real Property.

### GRANTING CLAUSE III

All right, title and interest (legal, equitable or beneficial) of Mortgagor now owned or hereafter acquired in, to and under (a) all leases, subleases, undertakings to lease, and undertakings to sublease (including, without limitation, all lease and sublease renewals) and all other agreements for use or occupancy, in existence from time to time with respect to the Real Property or any part thereof (the "Leases"), and (b) all and singular the estates, tenements, hereditaments, privileges, easements, franchises and appurtenances belonging or in any ways appertaining to the Real Property and every part thereof (including, without limitation, water and riparian rights, if any), and the reversions, avails, rents, redemption proceeds, issues, revenues, accounts, general intangibles and profits thereof [including, without limitation, all interest of Mortgagor in all avails, rents, redemption proceeds, issues, profits, revenues, royalties, bonuses, and other rights and benefits due, payable or accruing (including, without limitation, all escrows or other deposits of money as advanced for taxes, rent, insurance, security or reserves for fixtures, furniture and equipment and all such deposits of money advanced for rent or security in connection with any of the Leases), on account of or from the Real Property or any part thereof or under any and all of the Leases, (including, without limitation, during the period, if any, allowed by law and this Mortgage for the redemption of said property after any foreclosure or other sale), together with the right, but not the obligation, to collect, receive and receipt for all such rents and other rights and benefits and apply them to the indebtedness secured hereby and to demand, sue for and recover the same when due or payable.]

### GRANTING CLAUSE IV

All right, title, and interest (legal, equitable or beneficial) of Mortgagor in, under, or pursuant to any and all contracts, agreements, or options for the purchase, lease or sale of the Mortgaged Premises or any part thereof or interest therein, whether now existing or hereafter arising, and all proceeds thereof or of any other disposition of any or all of the Mortgaged Premises, or any interest thereon, including, without limitation, the right, but not the obligation, to collect, receive, receipt for, and give acquittance for all such proceeds and to apply the same to the reduction of the indebtedness secured hereby and to demand, sue for and recover the same when due or payable. Nothing

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herein contained shall be construed as imposing any obligation on Mortgagee in respect of any of the foregoing or as subordinating the lien hereof to any of the foregoing or as constituting a consent by Mortgagee to any lease, sale, conveyance, encumbrance or other disposition of any or all of the Mortgaged Premises in violation of the terms of this Mortgage.

## GRANTING CLAUSE V

All judgments, awards of damages, settlements and other compensation hereafter made to or in favor of Mortgagor resulting from condemnation proceedings or the taking of the Real Property or any part thereof or any building or other improvement now or at any time hereafter located thereon or any easement or other appurtenance thereto or any other part or portion of the Mortgaged Premises under the power of eminent domain, or any similar power or right (including, without limitation, 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 the payment thereof), whether permanent or temporary, or for any damage (whether caused by such taking or otherwise) to the Real Property or any part thereof or the buildings or improvements thereof or any part thereof, or to any rights appurtenant thereto or to any other part or portion of the Mortgaged Premises, including, without limitation, severance and consequential damage, and any award for change of grade of streets (collectively, "Condemnation Awards").

## GRANTING CLAUSE VI

All property and rights (legal, equitable and beneficial) of Mortgagor, if any, which are by the express provisions of this Mortgage required to be subjected to the lien hereof and any additional such property or rights of Mortgagor that may from time to time hereafter, by installation or a writing of any kind, be subjected to the lien hereof by Mortgagor or by anyone on Mortgagor's behalf.

## GRANTING CLAUSE VII

All rights in and to all common areas and access roads on properties adjacent to the Real Property heretofore or hereafter owned, legally, beneficially or equitably, by Mortgagor and granted to Mortgagor and any after acquired title or reversion in and to the beds of any ways, roads, streets, avenues and alleys adjoining the Real Property or any part thereof.

## GRANTING CLAUSE VIII

All business permits, business licenses and certificates of occupancy or operation now or hereafter owned, legally, beneficially or equitably, by Mortgagor and issued in connection with any of the Mortgaged Premises.

## GRANTING CLAUSE IX

All insurance policies (and loss proceeds payable thereunder) owned legally, beneficially or equitably, by Mortgagor and relating in any respect to the Mortgaged Premises or any part thereof or to any activities conducted on or in connection with the Mortgaged Premises or any part thereof, including, without limitation, any and all insurance policies which Mortgagor is required by the terms of this Mortgage to obtain and maintain.

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TO HAVE AND TO HOLD the Mortgaged Premises and the properties, rights and privileges hereby granted, bargained, sold, conveyed, mortgaged, warranted, pledged and assigned, and the properties in which a security interest is granted or intended so to be, unto Mortgagee, its successors and assigns, forever; provided, however, that this Mortgage is executed and delivered upon the express condition that, if the principal of and interest on the Note and if the principal of and interest on, the LC Note and the LC Junior Note, if any, shall be paid in full and all other indebtedness secured hereby shall be fully paid and performed, then this Mortgage and the estate and rights hereby granted shall cease, terminate and be void and this Mortgage shall be released by Mortgagee upon the written request and at the expense of Mortgagor, otherwise to remain in full force and effect.

This Mortgage is made and given to secure and shall secure (a) the prompt payment when due and at all times thereafter of the principal of, interest at a variable rate (as specified, defined and set forth in the Note, the LC Note and the LC Junior Note, as the case may be) Default Interest (as defined in the Note, the LC Note and the LC Junior Note, as the case may be), and all other amounts due or evidenced by the Note, the LC Note and the LC Junior Note, as the case may be; (b) the observance and performance of all covenants and agreements of Mortgagor herein and contained in the Note, the LC Note and the LC Junior Note, as the case may be; (c) the observance and performance of all covenants and agreements of Mortgagor and any other person or entity (other than Mortgagee) contained in the Loan Agreement or any of the other Security Instruments (as defined in the Note); (d) prompt payment when due and at all times thereafter of all other indebtedness, obligations, liabilities, costs and expenses which this Mortgage by any of its terms secures (including, without limitation, any and all costs, reasonable attorneys' fees and other reasonable expenses of whatever kind incurred by Mortgagee in connection with (i) obtaining possession of the Mortgaged Premises, (ii) the protection and preservation of the Mortgaged Premises, (iii) the collection of all or any portion of the indebtedness secured hereby, (iv) litigation, after the occurrence of any default or Event of Default (as hereinafter defined in this Mortgage), or in which Mortgagee is involved in accordance with the terms and provisions hereof, in each case involving the Mortgaged Premises or any part thereof, any benefit accruing by virtue of the provisions hereof, or the exercise of any of Mortgagee's rights hereunder, (v) the presentation of any claim in any administrative or other proceeding in which proof of claim is required to be filed by law, (vi) any additional examination of the title to the Mortgaged Premises or any part thereof or continuation of any title insurance policy or escrow regarding or abstract of the Mortgaged Premises or any part thereof which may be required by Mortgagee, or (vii) taking any steps whatsoever in enforcing this Mortgage, claiming any benefit accruing by virtue of its provisions of exercising any of Mortgagee's rights hereunder); (The Note, the LC Note and the LC Junior Note and the other indebtedness, obligations, liabilities, costs and expenses described in (a), (b), (c) and (d) above are herein collectively referred to as "the indebtedness secured hereby", provided, however, that the indebtedness secured hereby shall in no event exceed One Hundred Fifty Million and No/100 Dollars (\$150,000,000.00)).

**MORTGAGOR REPRESENTS AND BENEFICIARY WARRANTS:** that Mortgagor has good and marketable title to the Mortgaged Premises, that Mortgagor is lawfully seized and possessed of the Mortgaged

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Premises, that Mortgagor has the right to convey the Mortgaged Premises, that the Mortgaged Premises are unencumbered by any liens, claims, charges, easements, covenants, restrictions or security interests except liens or security interests in favor of Mortgagee and except those liens, security interests or other exceptions specified on Exhibit B attached hereto and made a part hereof and that Mortgagor shall forever warrant and defend the title to the Mortgaged Premises unto Mortgagee against the claims of all persons and entities whomsoever.

This Mortgage and the rights of the Mortgagee and the rights of the holder of the indebtedness secured hereby are and at all times shall be subject and inferior in right, claim and lien to the rights, liens and claims afforded by the following described instruments:

(a) Mortgage dated October 18, 1973 made by Trust 41281 to Prudential recorded December 7, 1973 in the Office of the Recorder of Deeds, Cook County, Illinois ("Recorder's Office") as Document Number 22566160;

(b) Security Agreement dated October 18, 1973 by and between Trust 41281 and Prudential;

(c) Assignment of Lease dated October 13, 1973 made by Trust 41281 to Prudential recorded December 31, 1973 in the Recorder's Office as Document 22583805;

(d) Modification of Mortgage dated December 14, 1973 by and between Trust 41281 and Prudential recorded December 26, 1973 in the Recorder's Office as Document 22579156;

(e) Consolidation and Modification Agreement dated June 28, 1976 by and between Trust 41281 and Prudential recorded June 28, 1976 in the Recorder's Office as Document 23537697;

(f) 1982 Agreement and Amendment to Note and Mortgage dated July 15, 1982 by and between Trust 41281 and Prudential recorded July 30, 1982 in the Recorder's Office as Document 26306042;

(The instruments referred to in paragraphs (a) - (f), inclusive, above are hereinafter collectively referred to as the "Prior Loan Documents".)

MORTGAGOR COVENANTS AND AGREES AND BENEFICIARY WARRANTS that there are no defaults under the Prior Loan Documents and to comply with all terms and provisions of the Prior Loan Documents. Nothing contained herein shall require Mortgagee to perform any covenant or agreement contained in the Prior Loan Documents. Any (i) breach of any covenant or agreement to be performed by or on behalf of Mortgagor or Trust 41281 under or with respect to the Prior Loan Documents which is not cured within the applicable cure or grace period thereunder, or (ii) any amendment or modification of the Prior Loan Documents without the prior written consent of Mortgagee, shall constitute an Event of Default. Mortgagor hereby agrees to promptly reimburse Mortgagee for all loss, cost, damage and expense, including reasonable attorneys' fees, which may be suffered or incurred by Mortgagee arising directly or indirectly out of or in connection with all of the terms and provisions of the Prior Loan Documents required to be performed by or on behalf of Mortgagor or Trust 41281. Mortgagor hereby authorizes Mortgagee, at its option, to perform any covenants, do any acts or make any

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payments which are required by the terms and provisions of the Prior Loan Documents as have not been performed, done or paid, at the times required by the Prior Loan Documents. All expenses incurred and all sums paid by Mortgagee relative to the foregoing authority shall be secured hereby with interest thereon at the Default Interest Rate (as defined in the Note) and shall be payable to Mortgagee on demand. The exercise of the option by Mortgagee to perform any of said covenants, do any of said acts or make any of said payments as aforesaid, may be made by Mortgagee prior to, simultaneously with or subsequent to the exercise of Mortgagee to declare the indebtedness secured hereby immediately due and payable.

## MORTGAGOR FURTHER COVENANTS AND AGREES AND BENEFICIARY WARRANTS:

1. Payment of the Indebtedness. The indebtedness secured hereby will be promptly paid as and when the same becomes due.

2. Further Assurances. Mortgagor shall, at any time and from time to time upon request by Mortgagee, make, execute and deliver, or cause to be made, executed and delivered, to Mortgagee (and shall pay the costs of preparation and recording thereof) any and all other and further instruments, documents, certificates, agreements, letters, financing statements, assignments, renewal and substitution notes, representations and other writings which may be necessary or desirable in the opinion of Mortgagee, in order to reaffirm, effectuate, complete, correct, perfect or continue and preserve (subject to Paragraph 16 below) the obligations of Mortgagor under the indebtedness secured hereby and the liens and security interests of Mortgagee to all or any portion of the Mortgaged Premises intended hereby to be conveyed, whether now conveyed, later substituted for or acquired subsequent to the date hereof. Mortgagor shall, upon request by Mortgagee, certify in writing to Mortgagee, or to any proposed assignee of Mortgagee's rights under this Mortgage, the amount of principal and interest then owing on the indebtedness secured hereby and whether or not, to the best of Mortgagor's knowledge, any claims, charges, set offs or defenses exist against all or any part of the indebtedness secured hereby, within fourteen (14) days after notice is given to Mortgagor.

3. Payment of Taxes. Mortgagor shall pay, before any penalty attaches, all general taxes and all special taxes, special assessments, water, drainage and sewer charges and all other charges, of any kind whatsoever, ordinary or extraordinary which may be levied, assessed, imposed or charged on or against the Mortgaged Premises or any part thereof and which, if unpaid, might by law become a lien or charge upon the Mortgaged Premises or any part thereof, and shall, upon written request of Mortgagee, exhibit to Mortgagee official receipts evidencing such payments, except that, unless and until foreclosure, distraint, sale or other similar proceedings shall have been commenced, no such charge or claim need be paid if being contested (except to the extent any full or partial payment shall be required by law), after notice to Mortgagee, by appropriate proceedings which shall operate to prevent the collection thereof or the sale or forfeiture of the Mortgaged Premises or any part thereof to satisfy the same, in good faith and with due diligence and if Mortgagor shall have furnished such security, if any, as may be required in the proceedings or such security, or other assurance that Mortgagor has and will continue to have readily available funds on hand, each in form,

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substance and amount as is acceptable to Mortgagee in its reasonable discretion.

4. Payment of Taxes on Note, Mortgage or Interest of Mortgagee. Mortgagor agrees that, if any tax, assessment or imposition upon this Mortgage, the indebtedness secured hereby, the Note, the LC Note, the LC Junior Note or the interest of Mortgagee in the Mortgaged Premises or upon Mortgagee by reason of or as a holder of any of the foregoing (including, without limitation, corporate privilege, franchise and excise taxes, but excepting therefrom any income tax on interest payments on the principal portion of the indebtedness secured hereby imposed by the United States or any State) is levied, assessed or charged, then, unless all such taxes are paid by Mortgagor as they come due and payable, or Mortgagee is reimbursed for any such sum advanced by Mortgagee, all sums hereby secured shall become immediately due and payable, at the option of Mortgagee, upon thirty (30) days' notice to Mortgagor, notwithstanding anything contained herein or in any law heretofore or hereafter enacted. Mortgagor agrees to exhibit to Mortgagee, upon request, official receipts showing payment of all taxes and charges which Mortgagor is required to pay hereunder.

5. Recordation and Payment of Taxes and Expenses Incident Thereto. Mortgagor will cause this Mortgage, all mortgages or deeds of trust supplemental hereto and any financing statements relating hereto (or any other notice of a lien or security interest reasonably required by Mortgagee) at all times to be kept, recorded and filed at its own expense in such manner and in such places as may be required by law for the recording and filing or for the rerecording and refiling of a mortgage, deed of trust, security interest, assignment or other lien or charge upon the Mortgaged Premises, or any part thereof, in order fully to preserve and protect the rights of Mortgagee hereunder and, without limiting the foregoing, Mortgagor shall pay or reimburse Mortgagee for the payment of any and all taxes, fees or other charges incurred in connection with any such recordation or rerecording, including, without limitation, any documentary stamp tax, intangible tax or tax imposed upon the privilege of having this Mortgage or any instrument issued pursuant hereto recorded.

#### 6. Insurance.

(a) Prior to recordation of this Mortgage if the Real Property or any part thereof is situated in an area designated by the Secretary of Housing and Urban Development designated as having special flood hazards, Mortgagor shall, with respect to the Real Property or portion thereof so situated, procure and deliver to Mortgagee, at Mortgagor's own cost and expense, and Mortgagor shall maintain in full force and effect until each of the obligations of Mortgagor hereunder and until the indebtedness secured hereby has been fully paid or performed, a policy or policies of flood insurance insuring against such risk in an amount at least equal to the lesser of (i) the full insurable value of the completed improvements located on the Real Property or portion thereof so situated (actual replacement value without deduction for physical depreciation) (as determined in the manner described in subparagraph (b) below) or (ii) the maximum limit of coverage available for such Real Property or portion thereof under the National Flood Insurance Act of 1968, as amended.

(b) In addition, Mortgagor will, at its expense, keep all buildings, improvements, equipment, including, without

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limitation, boiler, machinery and air conditioning equipment, and other property now or hereafter constituting part of the Mortgaged Premises insured against loss or damage by fire, lightning, windstorm, explosion and such other risks as are usually included under extended coverage policies, and which are usually insured against by owners of like property, in an amount sufficient to prevent Mortgagor or Mortgagee from becoming a co insurer of any partial loss under applicable policies and in any event not less than the then full insurable value (actual replacement value without deduction for physical depreciation) thereof, as determined at the request of Mortgagee and at Mortgagor's expense by the insurer or insurers or by an expert reasonably approved by Mortgagee, all with companies reasonably satisfactory to Mortgagee and under insurance policies payable, in case of loss or damage, to Mortgagor, Mortgagee and the holder of any Existing Mortgage upon the insured property as their respective interests may appear, such rights to be evidenced by a mortgagee clause, in form and substance reasonably acceptable to Mortgagee. Mortgagor shall not carry separate insurance concurrent in kind or form and contributing in the event of loss with any insurance required under this Mortgage.

(c) Mortgagor shall also obtain and maintain public liability, property damage and worker's compensation insurance in each case in form and content reasonably satisfactory to Mortgagee and in such amounts as are customarily carried by owners of like property and reasonably approved by Mortgagee. Mortgagor shall also obtain and maintain with responsible and reputable insurance companies such other insurance with respect to the Mortgaged Premises in such amounts and against such insurable hazards as Mortgagee from time to time may reasonably require, including, without limitation, insurance against flood risks, host liquor liability, war risk insurance when and to the extent obtainable from the United States Government or any agency thereof, and insurance against loss of rent due to fire and risks now or hereafter embraced by so called "extended coverage."

(d) All insurance maintained by Mortgagor shall provide that any losses shall be payable notwithstanding any act or negligence of Mortgagor or Mortgagee, shall provide that no cancellation thereof shall be effective until at least thirty (30) days after receipt by Mortgagor and Mortgagee of written notice thereof, and shall be reasonably satisfactory to Mortgagee in all other respects. Upon the execution of this Mortgage and thereafter not less than fifteen (15) days prior to the expiration date of any policy delivered pursuant to this instrument, Mortgagor will deliver to Mortgagee the originals of any policy or renewal policy, as the case may be, required by this instrument (or, if agreed to by Mortgagee, in its sole discretion, copies thereof certified by the insurer thereunder to be a true and correct copy), bearing notations evidencing the payment of all applicable premiums. In the event of any foreclosure or other disposition of the Mortgaged Premises, or any part thereof, Mortgagor authorizes and empowers Mortgagee to effect insurance upon the Mortgaged Premises in the amounts aforesaid for a period covering the time of redemption from any such sale or other disposition, if any, provided by law and this Mortgage, and, if appropriate in Mortgagee's judgment, to cancel any or all existing insurance policies.

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7. Tax and Insurance Escrow. After an Event of Default, as defined in any of the Security Instruments, or any other default under the Note, the LC Note, the LC Junior Note or any Security Instrument, beyond the expiration of any applicable grace periods, Mortgagor shall (within five (5) days after receipt of the written request of Mortgagee) create a fund or reserve for the payment of all insurance premiums, taxes and assessments against or affecting the Mortgaged Premises by paying to Mortgagee, with each payment of interest due under the Note, the LC Note or the LC Junior Note, as the case may be, prior to the maturity of the Note, the LC Note or the LC Junior Note, as the case may be, a sum equal to the premiums that will next become due and payable on the hazard insurance policies covering the Mortgaged Premises, or any part thereof, plus taxes and assessments next due on the Mortgaged Premises, or any part thereof, as estimated by Mortgagee, less all sums paid previously to Mortgagee therefor, divided by the number of installment payments to be made before one month prior to the date when such premiums, taxes and assessments will become delinquent, such sums to be held by Mortgagee, without interest or at such interest rate as may be mutually agreed to by Mortgagee and Mortgagor or be required by applicable law, for the purpose of paying such premiums, taxes and assessments. Any excess reserve shall, at the discretion of Mortgagee, be credited by Mortgagee on subsequent reserve payments or subsequent payments to be made on the Note, and any deficiency shall be paid by Mortgagor to Mortgagee forthwith and in any event before one month prior to the date when such premiums, taxes and assessments shall become delinquent. Transfer of legal title to the Mortgaged Premises shall automatically transfer the interest of Mortgagor in all sums deposited with Mortgagee under the provisions hereof or otherwise.

8. Damage to or Destruction of Mortgaged Premises.

(a) Notice. In case of any material damage to or destruction of the Mortgaged Premises or any part thereof, Mortgagor shall promptly give written notice to Mortgagee, generally describing the nature and extent of such damage or destruction.

(b) Restoration. In case of any damage to or destruction of the Mortgaged Premises or any part thereof, Mortgagor, whether or not the insurance proceeds, if any, received on account of such damage or destruction shall be sufficient for the purpose, at Mortgagor's expense, will promptly commence and complete the restoration, replacement or rebuilding of the Mortgaged Premises as nearly as possible to its value, condition and character immediately prior to such damage or destruction.

(c) Adjustment of Loss. In case of loss covered by any insurance policy obtained pursuant to Paragraph 6 hereof, Mortgagor is authorized to proceed with the settlement and adjustment of any claim under such insurance policy, provided that no such settlement or adjustment involving insurance proceeds in excess of, or involving loss or damage to the Mortgaged Premises in excess of, \$300,000.00 shall be finally approved by Mortgagor without the prior written consent of Mortgagee. Upon the occurrence of an Event of Default hereunder, however, Mortgagee is hereby authorized either (i) to settle and adjust any claim under each such insurance policy without the consent of Mortgagor, or (ii) to allow Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss. In any case where damage

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to or destruction of the Mortgaged Premises is equal to or in excess of \$300,000.00, Mortgagee alone is authorized to collect and receipt for any insurance proceeds; in any case where damage to or destruction of the Mortgaged Premises is less than \$300,000.00, Mortgagor is authorized to collect and receipt for any insurance proceeds.

(d) Application of Insurance Proceeds. Net insurance proceeds received by Mortgagee under the provisions of this Mortgage or any instruments supplemental hereto or thereto or under any policy or policies of insurance covering the Mortgaged Premises or any part thereof shall first be applied as a prepayment on the Note, the LC Note and the LC Junior Note, or either of them, as the case may be, (and Mortgagee is hereby irrevocably authorized to make such an application) and shall thereafter be applied to the reduction of any indebtedness secured hereby; provided, however, that if there is not then existing an Event of Default hereunder or under any Security Instrument, or an event which, with the passage of time or the provision of notice, or both, would constitute such an Event of Default, then Mortgagee shall (or, if there is then existing an Event of Default hereunder or under any Security Instrument, or an event which, with the passage of time or the provision of notice, or both, would constitute such an Event of Default, then Mortgagee shall have the right, but not the duty, to) release the proceeds thereof for use in restoring the Mortgaged Premises or to restore or rebuild such Mortgaged Premises or any part thereof for or on behalf of Mortgagor in lieu of applying said proceeds to the indebtedness secured hereby and for such purpose may do all acts necessary to complete such restoration and rebuilding, including, without limitation, advancing additional funds for that purpose and all such additional funds shall constitute part of the indebtedness secured hereby and shall be payable on demand with interest at the Default Interest Rate, as defined in the Note.

Without limiting the preceding provisions of this subparagraph (d), if insurance proceeds are applied on account of restoration or rebuilding, such proceeds shall be made available, from time to time, only upon Mortgagee being furnished with satisfactory evidence of the estimated cost of completion of such rebuilding or restoration thereof and with such architect's certificates, waivers of lien, contractors' sworn statements and other evidence of cost and of payments as Mortgagee may reasonably require and approve (such approval not to be unreasonably withheld by Mortgagee), and only if the estimated cost of the work exceeds Fifty Thousand Dollars (\$50,000.00), with all plans and specifications for such rebuilding or restoration as Mortgagee may reasonably require and approve (such approval not to be unreasonably withheld by Mortgagee). No payment made prior to the final completion of the work shall exceed ninety percent (90%) of the value of the work performed, from time to time, and, at all times and as a condition to each payment, the undisbursed balance of said proceeds remaining in the hands of Mortgagee, together with any other amounts deposited by Mortgagor with Mortgagee for application against the costs of rebuilding and restoration and any other funds available to Mortgagor on a basis reasonably acceptable to Mortgagee, shall be at least sufficient to pay for the cost of completion of the work, free and clear of liens. Any undisbursed balance of insurance proceeds or condemnation proceeds remaining in the hands of

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Mortgagee shall be invested in an interest bearing money market account, or any instrument or investment vehicle agreed upon from time to time by Mortgagee and Mortgagor.

9. Litigation: Eminent Domain. Mortgagor hereby represents and warrants that it has no knowledge or notice, whether actual or constructive, of any litigation affecting the Mortgaged Premises or any part thereof or interest therein or of any proposal or proposals by any person or persons, including, without limitation, governmental officials, that all or any part of the Mortgaged Premises be taken or damaged under the power of eminent domain or by condemnation. Mortgagor acknowledges that Condemnation Awards have been assigned to Mortgagee, which awards Mortgagee is hereby irrevocably authorized to collect and receive, and to give appropriate receipts and acquittances therefor, and if there is not then existing an Event of Default hereunder or under any Security Instrument, or an event which, with the passage of time or the provision of notice, or both, would constitute such an Event of Default, then Mortgagee shall (or, if there is then existing an Event of Default hereunder or under any Security Instrument, or an event which, with the passage of time or the provision of notice, or both, would constitute such an Event of Default, then Mortgagee shall have the right, but not the duty, to) release such proceeds for use in rebuilding and restoring, for or on behalf of Mortgagor, the Mortgaged Premises to their condition prior to the condemnation or casualty and any proceeds thereafter remaining shall be applied toward the payment of the amounts owing on account of the indebtedness secured hereby in such order as Mortgagee may elect, whether or not the same may then be due and payable or otherwise adequately secured without any prepayment penalty being applicable. In releasing funds for rebuilding and restoring the Mortgaged Premises, Mortgagee may do all acts necessary to complete such restoration and rebuilding, including, without limitation, advancing additional funds for that purpose and all such additional funds shall constitute part of the indebtedness secured hereby and shall be payable on demand with interest at the Default Interest Rate. Mortgagor covenants and agrees that Mortgagor will give Mortgagee immediate notice of the actual or threatened commencement of any proceedings under condemnation or eminent domain affecting all or any part of the Mortgaged Premises (including, without limitation, any easement therein or appurtenance thereof or severance 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 further covenants and agrees to 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 Condemnation Awards and other compensation heretofore made or hereafter to be made to Mortgagor for any taking, either permanent or temporary, under any such proceeding.

10. Construction, Repair, Waste, Etc. Mortgagor agrees: (a) that no building or other improvement on the Mortgaged Premises and constituting a part thereof having a value in excess of Fifty Thousand Dollars (\$50,000.00) shall be removed, demolished or materially altered, and no fixtures or appliances on, in or about said buildings or improvements having a value in excess of Fifty Thousand Dollars (\$50,000.00) shall be severed, removed, sold or mortgaged, without the consent of Mortgagee (which consent may not be unreasonably withheld if the value of all buildings, improvements, fixtures and appliances in the past severed, removed,

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sold, or mortgaged, together with those in question, aggregates less than \$100,000.00) 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, the same shall be replaced promptly by similar fixtures, chattels and articles of personal property at least equal in quality, condition and value to those replaced, free from any security interest in or encumbrance thereon or reservation of title thereto; (b) to permit, commit or suffer no waste, impairment or deterioration of the Mortgaged Premises or any part thereof; (c) to keep and maintain the Mortgaged Premises and every part thereof in good repair and condition and from time to time to make all needful and proper replacements and additions so that all buildings, fixtures, machinery, appurtenances which are a part of the Mortgaged Premises will, at all times, be in good condition, fit and proper for the respective purposes for which they were originally erected or installed; (d) to operate the Mortgaged Premises in a lawful manner and in accordance with reasonable and prudent business standards; (e) to observe and comply with all covenants, conditions and restrictions applicable to the Mortgaged Premises and with all statutes, orders, requirements or decrees relating to the Mortgaged Premises of any Federal, State or Municipal governmental unit or authority or court; (f) to observe and comply with all conditions and requirements necessary to preserve and extend any and all rights, licenses, permits (including, without limitation, zoning variances, special exceptions and non conforming uses), privileges, franchises and concessions which are applicable to the Mortgaged Premises or which have been granted to or contracted for by Mortgagor (or any predecessor in interest of Mortgagor) in connection with any existing or presently contemplated use of the Mortgaged Premises or any part thereof and not to initiate or acquiesce in any changes to or terminations of any of the foregoing or of zoning classifications affecting the use to which the Mortgaged Premises or any part thereof may be put; (g) to make no material alterations in or improvements or additions to the Mortgaged Premises without the express written consent of Mortgagee, which consent shall not be unreasonably withheld, except as required by governmental authority; (h) not to enter into any contract with any person or entity (other than employees of Mortgagor) pursuant to which such person will manage the Mortgaged Premises, or any part thereof, without the express written consent of Mortgagee, which consent shall not be unreasonably withheld, provided that Mortgagor may enter into such contract if such person or entity is under common control with the general partner of Beneficiary; (i) not to enter into any franchise or similar agreement with respect to the Mortgaged Premises, or any part thereof; (j) not to grant or acquiesce in any easements affecting the Mortgaged Premises without the express written consent of Mortgagee, which consent shall not be unreasonably withheld or delayed; and (k) to pay when due and payable, and before any penalty attaches, any and all reasonable expenses and costs which are necessary for the preservation of the Mortgaged Premises, all court costs and other costs and expenses in foreclosure or other judicial or non judicial proceedings involving the Mortgaged Premises, and all other costs and expenses (including survey costs and reasonable attorneys' fees) incurred by Mortgagee in connection with collecting the indebtedness secured hereby or repossessing the Mortgaged Premises.

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## 11. Warranty Concerning Hazardous Waste and Substances; Environmental Requirements and Asbestos.

(a) Trustee represents and Beneficiary represents and warrants to Mortgagee, and Mortgagor covenants with Mortgagee, which representations, warranties and covenants shall survive any release of this Mortgage, funding of the Loan, and repayment of the indebtedness secured hereby, and any transfer of the Mortgaged Premises (or any part thereof) by foreclosure or deed in lieu of foreclosure, and are material and are being relied upon by Mortgagee, notwithstanding any investigations, inspections, inquiries or actual knowledge of Mortgagee or its representatives, that there does not exist (and, to Mortgagor's actual knowledge, has never existed), on, under or about the Mortgaged Premises, now or in the past, any flammables, contaminants, explosive, or radioactive materials, asbestos, crude oil, air pollution, soil or water pollution, hazardous wastes, toxic, hazardous or dangerous substances or similar substances or materials including, without limitation, any substances or materials defined as hazardous, toxic or environmentally unsafe under any federal, state or local governmental law, regulation or ordinance including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. Section 6901, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. Section 6901 et seq.; the Clean Air Act of 1966, as amended, 42 U.S.C. Sec. 7401 et seq.; the National Environmental Policy Act of 1975, 42 U.S.C. 4321; the Rivers and Harbours Act of 1899, 33 U.S.C. 401 et seq.; the Endangered Species Act of 1973, as amended, 16 U.S.C. 1531 et seq.; the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. 651 et seq.; the Safe Drinking Water Act of 1974, as amended, 42 U.S.C. 300(f) et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Illinois Environmental Protection Act of 1970, as amended, Ill. Rev. Stat. Ch. 111 1/2 Sec. 1001 et seq. or any other law, regulation or ordinance effective in the State of Illinois; and the rules, regulations, guidance, documents or publications adopted or promulgated pursuant to said laws ("Hazardous Materials"), and Mortgagor is not aware of the transportation to or from the Mortgaged Premises of any Hazardous Materials.

(b) Trustee represents and Beneficiary represents and warrants to Mortgagee, and Mortgagor covenants, which representations, warranties, and covenants shall survive any release of this Mortgage, funding of the Loan, and repayment of the indebtedness secured hereby, and any transfer of the Mortgaged Premises (or any part thereof) by foreclosure or deed in lieu of foreclosure, and are material and are being relied upon by Mortgagee, notwithstanding any investigations, inspections, inquiries or actual knowledge of Mortgagee or of its representatives, that (i) Mortgagor is currently in compliance with all federal, state and local laws, regulations, ordinances, rules and orders concerning or relating to the use, generation, storage, handling or disposal of Hazardous Materials (collectively, the "Applicable Environmental Laws"); and (ii) Mortgagor shall, at its sole cost and expense, comply with all Applicable Environmental Laws; and (iii) Mortgagor shall immediately notify Mortgagee of its receipt of any report, citation, notice or other

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writing by, to, or from any governmental or quasi-governmental authority empowered to regulate or oversee any of the foregoing activities or in any way related to or connected with Hazardous Materials or Applicable Environmental Laws; and (iv) with respect to any Hazardous Material on, under or about the Mortgaged Premises, Mortgagor shall remediate, rectify, rehabilitate, correct, remove, and dispose of any such Hazardous Materials in compliance with all Applicable Environmental Laws; and (v) Mortgagor shall not install, use or store or permit to be installed, used or stored any Hazardous Material on, under or about the Mortgaged Premises; (vi) all required governmental permits and licenses regarding environmental matters connected with the Mortgaged Premises are and shall remain in effect, and Mortgagor shall comply therewith; and (vii) (without limitation of the warranties, representations, and covenants contained in (a) above) all Hazardous Materials generated or handled on the Mortgaged Premises, if any, have been disposed of in a lawful manner; and (viii) no underground storage tanks (including petroleum storage tanks) are present on the Mortgaged Premises or any part thereof; and (ix) Mortgagor agrees at all times to comply fully and in a timely manner with, and to cause all employees, agents, contractors and subcontractors of Mortgagor and any other persons occupying or present on the Mortgaged Premises to so comply with, all Applicable Environmental Laws; and (x) there have been no past, and there are no pending or threatened: (i) actions or proceedings by any governmental agency or any other entity regarding public health risks or the environmental condition of the Mortgaged Premises, or the disposal or presence of Hazardous Material, or regarding any Applicable Environmental Laws; or (ii) liens or governmental actions, notices of violations, notices of noncompliance or other proceedings of any kind that could impair the value of the Mortgaged Premises, or the priority of the Mortgage lien or of any of the other Security Instruments. If Mortgagor shall fail to fully meet its obligations under this Paragraph 11, the same shall, upon ten days' written notice from Mortgagee to Mortgagor, constitute an Event of Default hereunder and Mortgagee may (without limitation of its rights and remedies), but shall not be required to do whatever is necessary to eliminate said substances from the Mortgaged Premises and to comply with the Applicable Environmental Laws, and the cost thereof incurred by Mortgagee shall be additional indebtedness secured hereby and shall bear interest at the Default Interest Rate and such interest and additional indebtedness shall become immediately due and payable without notice. Mortgagor shall give to Mortgagee and its agents and employees access to the Mortgaged Premises and hereby specifically grants to Mortgagee a license to remove said Hazardous Materials. In addition, Mortgagor acknowledges that in the event any Hazardous Material is caused to be removed from the Mortgaged Premises by Mortgagor or by Mortgagee, that the Environmental Protection Agency or other governmental number assigned to the Hazardous Material so removed shall not be in the name of Mortgagee, and Mortgagor shall assume all of the Mortgagee's potential and actual liability for such removed Hazardous Material.

Notwithstanding anything to the contrary contained in subparagraphs (a) or (b) of this Paragraph 11, Mortgagee has received that certain Report on Phase I Environmental Survey of Concourse Complex, Skokie, Illinois submitted by PEI Associates, Inc. dated January 26, 1990 ("Report"). Mortgagee

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acknowledges only that the Report indicates in Section 6 that asbestos-containing building material ("ACBM") is present in (i) cementitious duct insulation in basement boiler room of hotel; (ii) original spray-applied acoustical plaster applied to ceilings of guest rooms and hallways in hotel tower section; (iii) transite panels on cooling tower outside 12th floor of hotel; and (iv) original 2' X 4' ceiling panels with slash and dot design in both office towers. In Section 7, the Report concludes that except for one minor exception in the hallway of the eleventh floor of the hotel, generally all of the materials suspected of containing ACBM are in good condition and do not pose an immediate health hazard to occupants or employees of the buildings. Section 7 further states that renovation of the hotel is planned, including the installation of sprinklers in each of the guest rooms, which renovations may disturb the acoustical plaster which may have to be removed in some locations. Section 7 of the Report recommends the immediate development and implementation of an asbestos operations and maintenance plan to monitor the condition of ACBM and minimize any future health or environmental risks. Mortgagor shall promptly comply with the recommendations contained in the Report and shall submit evidence of such compliance to Mortgagee together with the asbestos operations and maintenance plan within sixty (60) days after the date hereof. Mortgagor shall not be required to remove the ACBM unless it is disturbed or damaged or such removal is required by Applicable Environmental Laws. Nothing contained herein shall limit the provisions set forth in subparagraph (c) of this Section 11.

(c) Notwithstanding any non-recourse provisions of the Note, the LC Note, the LC Junior Note or the Security Instruments, including, without limitation, the provisions of Paragraph 46 of this Mortgage and Paragraph H.16 of the Note, Mortgagor shall, at Mortgagor's expense, protect, defend, indemnify, save and hold Mortgagee, and any and all of Mortgagee's parent and subsidiary corporations, and their affiliates, shareholders, directors, officers, employees and agents, harmless from and against any and all claims, demands, losses, expenses, damages, liabilities, fines, penalties, charges, administrative and judicial proceedings and orders, judgments, remedial action requirements, enforcement actions of any kind, and all costs and expenses incurred in connection therewith (including but not limited to attorneys' fees and expenses of counsel acceptable to Mortgagee), arising directly or indirectly, in whole or in part, out of (i) the presence on or under the Mortgaged Premises of any Hazardous Materials, or any releases or discharges of any Hazardous Materials on, under or from the Mortgaged Premises (including, without limitation, any ground water related thereto and any surrounding areas), and (ii) any activity carried on or undertaken on or off the Mortgaged Premises, whether prior to or during the term of this Loan, and whether by Mortgagor or any predecessor in title or any employees, agents, contractors or subcontractors of Mortgagor or any predecessor in title, or any third persons at any time occupying or present on the Mortgaged Premises, in connection with the handling, treatment, removal, storage, decontamination, clean-up, transport or disposal of any Hazardous Materials at any time located or present on or under the Mortgaged Premises, (iii) the imposition of any lien for damages caused by or the recovery of any costs for the cleanup, release or threatened release of Hazardous Material; and (iv) any breach of any

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provision of this Paragraph 11. The foregoing indemnity shall further apply to any residual contamination on or under the Mortgaged Premises, or affecting any natural resources, and to any contamination of any property or natural resources arising in connection with the generation, use, handling, storage, transport or disposal of any such Hazardous Materials, and irrespective of whether any of such activities were or will be undertaken in accordance with applicable laws, regulations, codes and ordinances. The indemnity and other provisions of this Paragraph 11(c) shall survive any release of this Mortgage, funding of the Loan, and repayment of the indebtedness secured hereby, or any transfer of the Mortgaged Premises (or any part thereof) by foreclosure or deed in lieu of foreclosure.

(d) Mortgagor shall provide such information and certifications which Mortgagee may reasonably request from time to time to insure Mortgagee of Mortgagor's compliance with this Paragraph 11. To investigate Mortgagor's compliance with Applicable Environmental Laws and with this Paragraph, Mortgagor hereby grants (and Mortgagor shall cause any tenants of the Mortgaged Premises to grant) to Mortgagee the irrevocable right, authorization and license, but not the obligation, at any time to enter upon the Mortgaged Premises, inspect the same, and perform such tests and take samples, review Mortgagor's books and records, interview Mortgagor's employees and officers, and conduct similar activities. Mortgagor shall cooperate in the conduct of such an audit.

(e) Mortgagor, its successors and assigns, hereby waives, releases and agrees not to make any claim or bring any cost recovery action against Mortgagee under CERCLA or any state equivalent, or any similar law now existing or hereafter enacted, or any other Applicable Environmental Laws. It is expressly understood and agreed that to the extent that Mortgagee is strictly liable under any Applicable Environmental Laws, Mortgagor's obligation to Mortgagee under this indemnity shall likewise be without regard to fault on the part of Mortgagor with respect to the violation or condition which results in liability to Mortgagee.

## 12. Assignment of Leases and Rents.

(a) In accordance with Granting Clause III, Mortgagor hereby absolutely and unconditionally assigns to Mortgagee, (i) all right, title and interest of Mortgagor now owned or hereafter acquired in, to and under the Leases, (ii) all avails, rents, issues, profits, revenues, royalties, bonuses, and other rights and benefits due, payable or accruing (including, without limitation, all deposits of money as advanced rent or for security and all such rights and benefits due, payable or accruing under subleases of space) under any and all of the Leases (including, without limitation, during the period, if any, allowed by the law and this Mortgage for the redemption of the Mortgaged Premises after any foreclosure or other sale), and (iii) the right, but not the obligation, to collect, receive and receipt for the rents and other rights and benefits referred to in subparagraph (ii) (the "Rents"), to apply them to the indebtedness secured hereby and to demand, sue for and recover the Rents when due or payable. Prior to the occurrence of an Event of Default hereunder, Mortgagor shall have a license to collect and receive all

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Rents and shall have the right, without joinder of Mortgagee, to enforce the Leases.

(b) Upon the occurrence of an Event of Default, as herein defined, and whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder or during any period of redemption, and without regard to waste, adequacy of the security or solvency of Mortgagor, in addition to all other remedies available to Mortgagee, at law or in equity, Mortgagee, in its sole and absolute discretion, may revoke the privilege granted Mortgagor to collect said Rents, profits, and other income, and may, without notice, in person or by agent, with or without taking possession of or entering the Mortgaged Premises, with or without bringing any action or proceeding, (A) give, or require Mortgagor to give, notice to any or all tenants under any of the Leases authorizing and directing the tenant to pay said Rents, profits and other income to Mortgagee, (B) collect all of the said Rents, profits and other income, (C) enter upon and take and maintain possession of all or any part of the Mortgaged Premises, together with all the documents, books, records, papers and accounts of Mortgagor or the then owner of the Mortgaged Premises relating thereto, (D) exclude Mortgagor, its agents, or servants, wholly therefrom, (E) as attorney-in-fact or agent of Mortgagor, or in its own name as Mortgagee and under the power herein granted, hold, operate, manage and control the Mortgaged Premises and conduct the business, if any, thereof, either personally or by its agents, with full power to use such measures, legal or equitable, as in its discretion may be deemed proper or necessary to enforce the payment of the Rents and the observance and performance of all of the other terms of the Leases including, but not limited to, recovery of rent, actions in forcible detainer and actions in distress of 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, (F) cancel or terminate any Lease for any cause or on any ground which would entitle Mortgagor to cancel the same, (G) elect to disaffirm any Lease or sublease made subsequent to this Mortgage or subordinate to the lien thereof, (H) make any and all repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Mortgaged Premises that may seem judicious, in its discretion, (I) insure and reinsure the same for all risks incidental to Mortgagee's possession, operation and management thereof and to receive all such Rents, or (J) any or all of the foregoing.

(c) Mortgagor represents and covenants and Beneficiary warrants that:

(i) Mortgagor has good title to the Leases and Rents hereby assigned and authority to assign them, and no person or entity other than Mortgagee has any right, title or interest therein;

(ii) all Leases are valid and in full force and effect and no default by the lessor exists thereunder;

(iii) none of the Leases or Rents (including, without limitation, any future Leases or Rents) have been assigned, mortgaged or pledged except hereunder and none

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of such Leases or Rents will in the future be assigned, mortgaged or pledged;

(iv) none of the Leases or Rents have been anticipated, waived, released, discounted, set off or compromised and no Major Lease (as hereinafter defined) or Rents under a Major Lease will in the future be anticipated, waived, released, discounted, setoff or compromised without the express written consent of Mortgagee, which consent shall not be unreasonably withheld;

(v) except as indicated in the Leases, Mortgagor has not received any funds or deposits from any tenant for which credit has not already been made on account of accrued Rents;

(vi) Mortgagor, at Mortgagor's sole cost and expense, shall: (a) maintain or cause to be performed all of the covenants, agreements, terms and conditions and provisions on its part to be kept, observed and performed under any ground lease, lease, or sublease which may constitute a portion of or an interest in the Mortgaged Premises; and (b) use its best efforts in accordance with its reasonable business judgment to require its tenants or subtenants to keep, observe and perform all of the covenants, agreements, terms, conditions and provisions on their part to be kept, observed or performed under any and all ground leases, leases or subleases. Mortgagor shall use its best efforts to not suffer or permit any breach or default to occur with respect to the foregoing, and in default thereof the Mortgagee shall have the right to perform or to require performance of any such covenants, agreements, terms, conditions or provisions of any such ground lease, lease or sublease, and to add any expense incurred in connection therewith to the indebtedness secured hereby, which expense shall bear interest at the Default Interest Rate from the date of payment to the date of recovery by the Mortgagee. Any such payment by the Mortgagee with interest thereon shall be immediately due and payable.

(vii) Mortgagor shall defend, at Mortgagor's expense, any proceeding pertaining to the Leases, including, if Mortgagee so requests, any such proceeding to which Mortgagee is a party;

(viii) Mortgagor shall neither create nor permit any encumbrance upon its interest as lessor of the Leases, except for the encumbrances of this Mortgage and except for the Prior Loan Documents;

(ix) Mortgagor shall not receive or collect Rents more than one month in advance and shall not without Mortgagee's prior written consent (which consent shall not be unreasonably withheld) (x) cancel, terminate or modify any Major Lease, or cause or permit any cancellation, termination or surrender of any Major Lease, so as to adversely affect the value of the Mortgaged Premises, or (y) commence any proceedings for dispossession of any tenant under any Major Lease, except upon default by the tenant thereunder;

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(x) There are no leases or tenancies affecting the Mortgaged Premises, except for those leases or tenancies delineated on that certain Rent Roll ("Rent Roll") provided by Mortgagor to Mortgagee, certified by Mortgagor as of the date hereof;

(xi) None of the Leases contain any options or rights to purchase all or any part of the Mortgaged Premises or any options or rights to extend the term of any Lease beyond its original expiration date, except as provided on the Rent Roll; and

(xii) Mortgagor shall not enter any Lease or tenancy respecting the Mortgaged Premises: (i) outside the ordinary course of business; (ii) on terms and conditions not generally consistent with those of similar properties in the community in which the Mortgaged Premises is located; or (iii) with respect to a Lease of retail or office space, for a term in excess of five (5) years or with any single person or entity which pertains to in excess of 10,000 square feet ("Major Lease") without the prior written consent of Mortgagee (which consent shall not be unreasonably withheld).

(d) Mortgagor will not, without Mortgagee's prior written consent (which consent will not be unreasonably withheld), enter into or permit any multi-year Lease or other agreement regarding the Mortgaged Premises which provides for a materially disproportionate percentage of all payments to be made thereunder to or for the benefit of Mortgagee to be made in any single year or years, provided that the foregoing shall not be deemed to preclude Mortgagor from granting to tenants ordinary, customary and reasonable free rent periods that are in conformity with such free rent periods granted to tenants of similar properties in the geographic area in which the Mortgaged Premises is located. By way of illustration, and not of limitation, of the foregoing, an example of a Lease in violation of the foregoing covenant would be for a term of five (5) years, provide for no payments of rent in years one, two, four and five, and provide for a large lump-sum rental payment in year three.

(e) Mortgagee's acceptance of this assignment shall not, prior to entry upon and taking possession of the Mortgaged Premises by Mortgagee, be deemed to constitute Mortgagee a "mortgagee in possession," nor obligate Mortgagee to appear in or defend any proceeding relating to any of the Leases or to the Mortgaged Premises, to take any action hereunder, to expend any money, to incur any expenses, or to perform any obligation or liability under the Leases, or to assume any obligation for any deposits delivered to Mortgagor by any lessee and not delivered to Mortgagee. Mortgagee shall not be liable for any injury or damage to persons or property in or about the Mortgaged Premises.

(f) Mortgagor hereby appoints Mortgagee its attorney in fact, coupled with an interest, empowering Mortgagee, following the occurrence of an Event of Default or at any other time that Mortgagee is entitled to act on Mortgagor's behalf pursuant to Paragraph 17 below, to take any action with regard to the Leases, the Rents and the Mortgaged Premises authorized by the terms of this Mortgage, and without limitation of the foregoing, as such attorney in fact,

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Mortgagee shall be empowered at such time to subordinate the Leases to this Mortgage.

(g) Mortgagor hereby agrees to indemnify and hold Mortgagee harmless from all liability, damage or expense incurred by Mortgagee from or on account of any claims under the Leases, including, without limitation, claims by tenants for security deposits or for rental payments more than one (1) month in advance and not delivered to Mortgagee. All amounts indemnified against hereunder, including, without limitation, reasonable attorneys' fees, if paid by Mortgagee shall bear interest at the Default Interest Rate and shall be payable by Mortgagor to Mortgagee immediately without demand and shall be secured hereby.

(h) Upon request by Mortgagee, Mortgagor shall deliver to Mortgagee executed originals or certified copies of all Leases and copies of all records relating thereto.

(i) There shall be no merger of the leasehold estates created by the Leases with the fee estate in the Real Property without the prior written consent of Mortgagee.

(j) Mortgagor hereby authorizes and directs the tenants under the Leases to pay Rents to Mortgagee upon written demand by Mortgagee made after the occurrence of an Event of Default, without further consent of Mortgagor, and the tenants may rely upon any written statement delivered by Mortgagee to the tenants. Any such payment to Mortgagee shall constitute payment to Mortgagor under the Leases and, any such payment shall be applied on account of the indebtedness secured hereby as provided in Paragraph 22(4) below.

(k) There are no suits, actions or proceedings pending or, to their knowledge, threatened against Mortgagor, any of its partners, Guarantor (as defined in the Note) or the Loan, including but not limited to suits, actions or proceedings under any federal or state law, including without limitation, the Racketeer Influenced and Corrupt Organizations Act of 1970, for which forfeiture of assets is a potential penalty ("RICO Related Law")

13. Future Advances. This Mortgage is given to secure not only existing indebtedness, but also such future advances, whether such advances are obligatory or are to be made at the option of Mortgagee, or otherwise, and whether such advances are made before, during or after the pendency of any proceedings to foreclose the lien of this Mortgage or otherwise enforce the rights of Mortgagee hereunder, as are made within twenty (20) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage. The total amount of indebtedness that may be so secured may decrease or increase from time to time, but the total unpaid principal balance so secured at one time shall not exceed One Hundred Fifty Million and No/100 (\$150,000,000.00), plus interest thereon, and any disbursements made for the payment of taxes, levies or insurance on the property encumbered by this Mortgage, with interest on such disbursements at the rate provided in the Note. The provisions of this paragraph shall not be construed to imply any obligation on Mortgagee to make any future advances, it being the intention of the parties that any future advances shall be solely at the discretion and option of the Mortgagee. Any reference to the "Note", "LC Note" or "LC Junior Note" in this Mortgage shall be

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construed to reference any future advances made pursuant to this Paragraph 13.

14. Liens and Encumbrances. Mortgagor will not, without the prior written consent of Mortgagee (which consent may be granted or withheld by Mortgagee in its sole and absolute discretion with or without cause), and it shall constitute a default hereunder if Mortgagor shall, directly or indirectly, create or permit to exist any mortgage, deed of trust, lien, encumbrance, charge, or claim (whether or not junior and inferior in terms of priority to this Mortgage) on, against or with respect to the Mortgaged Premises or any part thereof, (i) except for this Mortgage, (ii) except for the Prior Loan Documents, (iii) except for that certain Security Assignment of Beneficial Interest dated as of February 1, 1990 from Beneficiary to Philip Rootberg, as agent for co-owners ("Rootberg ABI"), and (iv) except that Mortgagor shall have the right, after prior written notice to Mortgagee, to contest any lien, charge or claim in good faith with due diligence and by appropriate proceedings which shall operate to prevent the enforcement thereof or the sale or forfeiture of the Mortgaged Premises or any part thereof to satisfy the same, and provided that Mortgagor shall have furnished to Mortgagee additional security or other assurance in form, substance and amount as is acceptable to Mortgagee in its reasonable discretion.

15. Restriction on Transfer. It shall be a default if, without the prior written consent of Mortgagee (which consent may be granted or withheld by Mortgagee, in its sole and absolute discretion, with or without cause), any sale, transfer or assignment of the Mortgaged Premises, or any part thereof, or any interest therein, whether legal or beneficial, direct or indirect, including, without limitation, any of the following shall occur:

(a) If Mortgagor shall create, effect, or consent to or shall suffer or permit any conveyance, sale, lease assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of the Mortgaged Premises or any part thereof, or interest therein, except for Prior Loan Documents;

(b) If Mortgagor is a trustee, or if any trustee is a beneficiary of a trustee mortgagor, then if any beneficiary of trustee shall create, effect or consent to, or shall suffer or permit, any sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of such beneficiary's beneficial interest in such trustee except for the Rootberg ABI;

(c) If Mortgagor is a corporation, or if any corporation is a beneficiary of a trustee mortgagor, then if any shareholder of such corporation controlling, controlled by or under common control with Mortgagor shall create, effect or consent to, or shall suffer or permit, any sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of any such shareholder's shares in such corporation;

(d) If Mortgagor is a partnership or joint venture, or if any beneficiary of a trustee mortgagor is a partnership or joint venture, then if any general partner or joint venturer in such partnership or joint venture, or any general partner or joint venturer of such partner or joint venturer, shall create, effect or consent to, or shall suffer or permit, any

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sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of any part of the partnership interest or joint venture interest, as the case may be, of such partner or joint venturer; provided, however, that such partner or joint venturer, or such general partner or joint venturer of such partner or joint venturer, may transfer his, her or its partnership interest so long as (i) a general partnership solely controlled by Samuel Zell and/or Robert Lurie is the sole general partner of Beneficiary and (ii) entities affiliated with Samuel Zell and/or Robert Lurie maintain an economic interest in the Mortgaged Premises greater than or equal to Fifty-one percent (51%);

(e) If Mortgagor is a nominee, then if Mortgagor's principal under the nominee agreement governing Mortgagor's rights in the Mortgaged Premises shall create, effect or consent to, or shall suffer or permit, any sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of any part of such principal's rights under such nominee agreement other than to Mortgagee;

in each case whether any such conveyance, sale, lease, assignment, transfer, lien, pledge, mortgage, security interest, encumbrance, or alienation is effected, directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise; provided, that the foregoing provisions of this paragraph shall not apply (i) to any lien of this Mortgage, (ii) to the lien of the Prior Loan Documents, (iii) to the lien of current taxes not yet due and payable, (iv) to any such transfer of beneficial interests, shares of stock, partnership or joint venture interests or rights as principal under a nominee agreement, as the case may be, by or on behalf of an owner thereof who is deceased, permanently disabled or declared judicially incompetent, to such owner's heirs, legatees, devisees, executors, administrators, estate or personal representatives, (v) to any lease of any part of the improvements on the Real Property which is entered into and meets all the requirements of Paragraph 12(b)(xii), or (vi) to the security interest in Trustee granted by the Rootberg ABI. The provisions of this Paragraph 15 shall be operative with respect to, and shall be binding upon, any persons who, in accordance with the terms hereof or otherwise, shall acquire any part of or interest in or encumbrance upon (x) the Mortgaged Premises, or (y) such beneficial interest in, share of stock of, general partnership or joint venture interest in Mortgagor or any beneficiary of a trustee mortgagor or (z) such interest as principal in any nominee agreement affecting all or any part of the Mortgaged Premises.

It is further understood and agreed that the indebtedness secured hereby was created solely due to the financial sophistication, creditworthiness, background and business sophistication of the Mortgagor and Mortgagee continues to rely upon same as the means of maintaining the value of the Mortgaged Premises. It is further understood and agreed that any secondary or junior financing placed upon the Mortgaged Premises, the improvements located thereon or any beneficial or other interest in the Mortgaged Premises, or incurred by the Mortgagor may divert funds which would otherwise be used to pay the indebtedness secured hereby, and could result in acceleration and/or foreclosure by any such junior lienor. Any such action would force the Mortgagee to take measures, and incur expenses, to protect its security, and would detract from the value of the Mortgaged Premises, and impair the rights of the Mortgagee granted hereunder. Therefore, the further encumbering of the Mortgaged Premises or any interest

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therein or portion thereof without the Mortgagee's prior written consent, or any other breach of the provisions of this Paragraph 15, shall be an Event of Default hereunder.

16. Releases. Upon the payment in full of all principal of and interest on, and other amounts due under, the Note, the payment in full of all principal of and interest on, and other amounts due under, the LC Note and the LC Junior Note, if any, and the payment and performance in full of all other indebtedness secured hereby, and termination of all obligations of Mortgagee and Mortgagor pursuant to the Loan Agreement (but not before such time), Mortgagee shall execute and deliver to Mortgagor releases of its liens and security interests hereunder. Mortgagor agrees to pay any and all costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Mortgagee in connection with such releases and to pay all costs and expenses (including, without limitation, any taxes) of recordation or filing applicable thereto.

17. Right of Mortgagee to Perform Mortgagor's Covenants, Etc.  
(a) Upon the occurrence of an Event of Default or (b) in the event Mortgagor shall either fail or refuse to pay or cause to be paid, as the same shall become due and payable, any item which Mortgagor is required to pay hereunder or to observe and comply with any covenant, agreement, obligation or liability binding upon Mortgagor hereunder, or to do or perform any other act which Mortgagor is obligated to do or perform hereunder and such failure or refusal to pay or to observe and comply or to do or perform hereunder, in Mortgagee's reasonable judgment, significantly jeopardizes the value of the Mortgaged Premises or (c) if there is commenced any action or proceeding materially adversely affecting the Mortgaged Premises or title thereto, then Mortgagee, at Mortgagee's option, may (in the case of (b) or (c), only after oral or written notice), but shall not be required to, (i) take such action as Mortgagor could or should have taken to avoid an Event of Default, (ii) make such payment or do or perform such act as Mortgagor failed or refused to make, do or perform on behalf of Mortgagor with right of subrogation thereunder, and (iii) appear in any such action or proceeding and retain counsel and take such actions therein as Mortgagee deems advisable. So long as Mortgagee is acting in good faith, Mortgagee shall be the judge of the legality, validity and priority of any tax, lien, assessment, charge, premium, or claim and of the amount necessary to be paid in satisfaction thereof. All such payments made by Mortgagee and all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by Mortgagee in doing or performing all such acts shall be and shall become part of the indebtedness secured hereby and shall bear interest at the Default Interest Rate and such interest shall be payable to Mortgagee upon demand and be part of the indebtedness secured hereby. Mortgagor hereby agrees that Mortgagee shall be subrogated to the claims, liens, rights, powers, privileges and benefits of all parties whose claims, liens, rights, powers, privileges and benefits are discharged or paid by Mortgagee. No payment made by Mortgagee under the provisions of this paragraph shall be or be deemed to be a cure or waiver of any default or Event of Default hereunder or under the Note, the LC Note, the LC Junior Note, the Loan Agreement, or any other Security Instrument, and the right to add any amounts so paid to the indebtedness secured hereby shall be in addition to and not in lieu of any remedies of Mortgagee upon default by Mortgagor hereunder or under the Note, the LC Note, the LC Junior Note, the Loan Agreement, or any other Security Instrument.

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18. After Acquired Property. Any and all property hereafter acquired which is of the kind or nature herein provided to be, or intended to be and become, subject to the lien hereof shall, inso facto, and without any further conveyance, assignment or act on the part of Mortgagor, become and be subject to the lien of this Mortgage as fully and completely as though specifically described herein; but nevertheless Mortgagor shall from time to time, if requested by Mortgagee, execute and deliver any and all such further assurances, conveyances and assignments as Mortgagee may reasonably require for the purpose of expressly and specifically subjecting to the lien of this Mortgage all such property.

19. Inspection. Mortgagor shall, upon reasonable notice, permit any person designated by Mortgagee to visit and inspect the Mortgaged Premises, to examine and copy the books of account and other records of Mortgagor with respect to the Mortgaged Premises, and to discuss the affairs, finances and accounts of Mortgagor with and to be advised as to the same by Mortgagor or a knowledgeable and duly authorized representative of Mortgagor, all at such reasonable times and intervals as Mortgagee may desire.

20. Financial Statements; Information.

(a) The financial statements heretofore delivered to Mortgagee by Mortgagor are true and correct in all respects, have been prepared on the basis of sound cash accounting principles, consistently applied, and fairly present the financial condition(s) of the person(s) referred to therein as of the date(s) indicated; no materially adverse change has occurred in the financial condition(s) reflected in such financial statements since the date(s) shown thereon and no additional borrowings or liabilities have been made or incurred by such person(s) since the date(s) thereof other than the borrowing contemplated hereby or other borrowings disclosed in writing to and approved by Mortgagee.

(b) Mortgagor shall deliver to Mortgagee, within forty-five (45) days after the beginning of each calendar year, and within forty-five (45) days after the beginning of each calendar quarter, balance sheets, profit and loss statements and statements of rental and room rates and vacancy/occupancy factors (for the office, retail, and hotel space, for the year to date and the preceding one month period, certified by Mortgagor as true and correct and as having been prepared on the basis of sound cash accounting principles, consistently applied. In addition, at Mortgagee's request, Mortgagor shall deliver to Mortgagee within forty five (45) days after any such request, a statement of revenues and expenses and of vacancy/occupancy factors for the calendar quarter immediately preceding such request and for the comparable calendar quarter of the preceding fiscal year, which statement shall be certified as true and correct and prepared on the basis of sound cash accounting principles, consistently applied. In addition, Mortgagor will submit to Mortgagee such other financial and other information relating to Mortgagor and the Mortgaged Premises as Mortgagee may request within a reasonable time after any such request.

21. Events of Default. Any one or more of the following shall constitute an Event of Default hereunder:

(a) Default in the payment of any principal of, or Interest, Default Interest, or other amounts payable under,

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the Note or of any other indebtedness secured hereby which is due on or prior to the Maturity Date (as defined in the Note), and such default (other than any failure to make any payment due on such Maturity Date) shall not be cured within five (5) days after written notice thereof from Mortgagee to Mortgagor; or

(b) Default in the payment of any principal of or Interest, Default Interest or other amounts due and payable under the LC Note or the LC Junior Note and such default shall not be cured within five (5) days after written notice thereof from Mortgagee to Mortgagor; or

(c) Default in payment or performance under either of Paragraphs 14 or 15 hereof; or

(d) Default in the observance or compliance with any of the terms or provisions of this Mortgage, the Note, the LC Note or the LC Junior Note (and not constituting an Event of Default under any other subparagraph of this Paragraph 21) and such default (other than a default or Event of Default under Paragraph 14 or 15 hereof, for which, as to any such default or Event of Default, no grace period shall be applicable) shall continue for more than thirty (30) days after notice thereof to Mortgagor except that, with respect to a default pursuant to this subparagraph (c) which cannot be cured by the payment of money and which cannot be cured with due diligence within said thirty (30) day period, Mortgagor shall have an additional period of time (not exceeding ninety (90) days from the expiration of said thirty (30) day period) in which to cure the default before the same shall become an Event of Default if and only if (i) from and after receipt of the notice which begins said thirty (30) day period, Mortgagor uses all reasonable efforts to cure said default as promptly as possible and diligently pursues such efforts, (ii) Mortgagee cannot become subject to civil or criminal penalties or liability as a result of such default, and (iii) Mortgagor provides Mortgagee with an indemnity which, in light of any risks to Mortgagee which may arise out of such default or any delay in curing the same, is reasonably satisfactory to Mortgagee; or

(e) Any representation or warranty made by Mortgagor herein or in connection with the transactions contemplated hereby is now false or untrue, in any material respect, or shall become false or untrue, in any material respect, at any time hereafter and such default shall not be cured within thirty (30) days after notice thereof to Mortgagor; or

(f) (i) Mortgagor, or any beneficiary thereof, or any person, partnership, trust, corporation or other entity at any time guaranteeing all or any part of the indebtedness secured hereby (a "Guarantor") becomes insolvent or bankrupt or admits in writing its inability to pay its debts as they mature; or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of a trustee or receiver for all or any significant portion of its assets; or (ii) such a trustee or receiver is appointed for Mortgagor or a Guarantor, or for all or any significant portion of the assets of any of them and is not discharged within sixty (60) days after such appointment; or (iii) bankruptcy, reorganization, arrangement, insolvency, readjustment, liquidation, dissolution or other proceedings for relief under

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any present or future bankruptcy law or laws or other statute, law or regulation for the relief of debtors are instituted by or against Mortgagor, or any Guarantor and if instituted against any such party are consented to or acquiesced in or are not dismissed within sixty (60) days after such institution; or (iv) Mortgagor or any Guarantor takes any action to authorize or in furtherance of (except actions to authorize or in furtherance of the discharge or dismissal of) any of the foregoing;

(g) The occurrence of any breach of or default or "Event of Default" under the Note, the LC Note, the LC Junior Note, the Loan Agreement or any of the other Security Instruments, and the expiration of any applicable cure period; or

(h) The conviction of any Mortgagor or any Guarantor relating to charges filed by any governmental or quasi-governmental entity under any RICO Related Law (it being agreed that, notwithstanding anything to the contrary contained herein, if Mortgagee has reasonable cause to believe that the Mortgaged Premises might be subject to forfeiture under any RICO Related Law, Mortgagee may, in its sole discretion, refuse to make any further disbursements under the Note or under any of the Security Instruments (as defined in the Note) of any kind whatsoever until Mortgagee no longer has reasonable cause to believe that the Mortgaged Premises might be subject to forfeiture under any RICO Related Law).

22. Acceleration and Other Remedies. Upon the occurrence of any Event of Default (regardless of the pendency of any proceeding which has or might have the effect of preventing Mortgagor from complying with the terms of this instrument and of the adequacy of the security for the Note, the LC Note or the LC Junior Note), and in addition to such other rights as Mortgagee may have under applicable law, Mortgagee may, at its option, exercise any one or more of the following remedies:

(a) Acceleration. Mortgagee, at its option, may declare all or any portion of the indebtedness secured hereby to be immediately due and payable without further notice, whereupon the same shall be and shall become due and payable forthwith without any presentment, demand, protest, or notice of any kind, all of which are expressly waived by Mortgagor;

(b) Uniform Commercial Code. Mortgagee shall, with respect to any part of the Mortgaged Premises constituting property of the type in respect of which realization on a lien or security interest granted therein is governed by the Uniform Commercial Code, have all the rights, options and remedies of a secured party under the Uniform Commercial Code as adopted in the State where the Mortgaged Premises are situated (the "Code"), including, without limitation, the right to the possession of any such property, or any part thereof, and the right to enter without legal process any premises where any such property may be found. Any requirements of the Code for reasonable notification shall be met by mailing written notice sent by overnight service such as Federal Express or Purolator Courier or the like to Mortgagor at least five (5) days prior to the sale or other event for which such notice is required. The expenses of retaking, selling, and otherwise disposing of said property, including, without limitation, reasonable attorneys' fees and legal expenses incurred in connection therewith, shall

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constitute so much additional indebtedness secured hereby and shall be payable to Mortgagee upon demand with interest thereon at the Default Interest Rate;

(c) Foreclosure. Mortgagee shall have the right, in one or several concurrent or consecutive proceedings, to foreclose the lien hereof upon the Mortgaged Premises or any part thereof, for the indebtedness secured hereby, or any part thereof, by any proceedings appropriate under applicable law. Mortgagee or its nominee may bid and become the purchaser of all or any part of the Mortgaged Premises at any foreclosure or other sale hereunder, and the amount of Mortgagee's successful bid may be credited on the indebtedness secured hereby;

(d) Lawsuits. Without limitation of subparagraph (c) above, Mortgagee may proceed by a suit or suits in equity or at law whether for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, in any court or courts of competent jurisdiction;

(e) Appointment of Receiver. Mortgagee shall, as a matter of right, without notice and without giving bond to Mortgagor or anyone claiming by, under or through it, and without regard to the solvency or insolvency of Mortgagor or the then value of the Mortgaged Premises, to the extent permitted by applicable law, be entitled to have a receiver appointed for all or any part of the Mortgaged Premises and the rents, issues and profits thereof, with the rights and powers referenced below and such other rights and powers as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Any such receiver may, to the extent permitted under applicable law, without notice, enter upon and take possession of the Mortgaged Premises or any part thereof by force, summary proceedings, ejectment or otherwise, and may remove Mortgagor or other persons and any and all property therefrom, and may hold, operate and manage the same and receive all earnings, income, rents, issues and proceeds accruing with respect thereto or any part thereof, whether during the pendency of any foreclosure or until any right of redemption shall expire or otherwise, and, without limitation of the foregoing, any such receiver shall have any and all rights and powers as Mortgagee would have, upon entering and taking possession of the Mortgaged Premises, under subparagraph (f) below;

(f) Taking Possession, Collecting Rents, Etc. Mortgagee: shall have the right, at its option, to enter the Mortgaged Premises and take possession thereof in its name or in the name of its nominee (and Mortgagor agrees to surrender the Mortgaged Premises to Mortgagee promptly upon demand therefor); may, but shall not be obligated to, perform any one or more of the covenants, agreements, terms and conditions hereunder and under the Note, the LC Note or the LC Junior Note, as the case may be, which Mortgagee deems proper to protect the security hereof; may manage and operate the Mortgaged Premises or any part thereof itself or through agents appointed by Mortgagee; may enter leases and subleases of the Mortgaged Premises upon such terms and with such tenants and subtenants as Mortgagee deems advisable; may modify or amend existing Leases and subleases upon such terms

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as Mortgagee deems advisable; may make repairs and alterations and do any acts which Mortgagee deems proper to protect or enhance the value of the Mortgaged Premises; and may sue for or otherwise collect or enforce all Rents, rights of contract and other proceeds of and from the Mortgaged Premises, including, without limitation, those past due and unpaid, deduct from such income from the Mortgaged Premises all costs of entry, of collection, of administration and reasonable management, consultant and attorneys' fees, and apply the remainder, if any, first, to the payment of all attorneys' fees, costs, charges and other sums paid, expended or incurred by Mortgagee pursuant to covenants, agreements, terms, conditions and warranties contained herein or in the Note, the LC Note or the LC Junior Note, as the case may be, then to any late charges due and payable under the Note, the LC Note or the LC Junior Note, as the case may be, then to the payment of all accrued interest on the Note, the LC Note or the LC Junior Note, as the case may be, and the balance, if any, to the payment of principal on the Note, the LC Note or the LC Junior Note, as the case may be. Such exercise by Mortgagee of the remedy provided for hereunder shall not affect the right of Mortgagee to maintain and continue any action theretofore instituted, or to bring any action thereafter, to enforce the payment of the Note, the LC Note or the LC Junior Note, as the case may be, or the terms and conditions of this Mortgage or any other document, instrument or agreement. All costs incurred in the exercise of the remedies provided in this subparagraph (f) or any other remedies provided pursuant to this Mortgage shall be secured by this Mortgage and shall be paid, together with interest at the Default Interest Rate, by Mortgagor to Mortgagee upon demand. Mortgagor acknowledges that it has been advised that there is a significant body of case law in Illinois which purportedly provides that in the absence of a showing of waste or a character sufficient to endanger the value of the Mortgaged Premises, or other special factors, a Mortgagor is entitled to remain in possession of mortgaged premises, and to enjoy the income, rents, and profits therefrom, during the pendency of foreclosure proceedings and until the expiration of the redemption period, even if the mortgage documents expressly provide to the contrary. Mortgagor further acknowledges that it has been advised that Mortgagee recognizes that the value of the security covered hereby is inextricably intertwined with the effectiveness of the management, maintenance and general operation of the Mortgaged Premises, and that Mortgagee would not make the loan secured hereby unless it could be assured that it would have the right to take possession of the Mortgaged Premises in order to manage or to control management thereof, and to enjoy the income, rents and profits therefrom, immediately upon default by Mortgagor hereunder, notwithstanding that foreclosure proceedings may not have been instituted, or are pending, or the redemption period may not have expired. Accordingly, Mortgagor hereby knowingly, intelligently and voluntarily waives all right to possession of the Mortgaged Premises from and after the date of default hereunder, upon demand for possession by Mortgagee, and Mortgagor agrees not to assert any objection or defense to Mortgagee's request or petition to a court for possession. The rights hereby conferred upon Mortgagee have been agreed upon prior to any default by Mortgagor hereunder and prior to Mortgagee becoming a mortgagee hereunder or a "mortgagee in possession". Mortgagor acknowledges that this provision is

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material to this transaction and the Mortgagee would not make the Loan but for this subparagraph;

(g) Other Remedies. Mortgagee may exercise all rights and remedies contained in any other instrument, document, agreement or other writing heretofore, concurrently herewith or in the future executed by Mortgagor or any other person or entity in favor of Mortgagee in connection with the transactions resulting in the indebtedness secured hereby or any part thereof, including, without limitation, the right from time to time to sue for any sums, whether interest, principal or any installment of either or both, taxes, penalties, or any other sums required to be paid under the terms of the Note, the LC Note or the LC Junior Note, as the case may be, or this Mortgage, as the same become due, without regard to whether all of the indebtedness secured hereby shall be due on demand, and without prejudice to the right of Mortgagee thereafter to enforce any appropriate remedy against Mortgagor, including, without limitation, an action of foreclosure, or any other action, for a default or Event of Default by Mortgagor existing at the time such earlier action was commenced;

(h) Rights at Law. Mortgagee may, at its option, exercise any and all other rights and remedies against Mortgagor and the Mortgaged Premises as are permitted under applicable law;

provided, however, that, subject to Paragraph 28 below, Mortgagee, in its sole and absolute discretion, whether before or after exercise of any of the foregoing remedies, may by a written instrument waive any Event of Default, in which event, subject to the contrary terms of any such waiver instrument, the rights of the Mortgagor and Mortgagee hereunder shall be reinstated as if no Event of Default had occurred hereunder.

23. Adverse Notices. If Mortgagor shall receive any notice or instrument which might materially adversely affect the Mortgaged Premises or the lien of this Mortgage thereon, Mortgagor shall forthwith furnish a copy of such notice or other instrument to Mortgagee. The notices referred to shall include, but not be limited to, notices from any tenant or lessee claiming a default by Mortgagor under any Lease; any notice by any public authority concerning any special tax or assessment; any notice of any alleged violation of any building, zoning, fire or other law or regulation affecting the Mortgaged Premises or any part thereof; or notice of any actual or threatened condemnation or other taking of the Mortgaged Premises, or any part thereof, by any public authority.

24. Waiver of Right to Redeem From Sale; Waiver of Appraisalment, Reinstatement, Valuation, Etc. Mortgagor shall not and will not apply for or avail itself of any appraisalment, valuation, stay, extension or exemption laws, or any so called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement of any rights or remedies of Mortgagee under this Mortgage, but hereby waives the benefit of such laws and the benefit of any homestead or other exemptions which it may now or hereafter from time to time have with respect to the Mortgaged Premises or the indebtedness secured hereby. Mortgagor for itself and all creditors, mortgagees, trustees, lienholders and other persons or entities who may claim through or under it waives any and all right to have the property and estates comprising the Mortgaged Premises, or any part thereof, marshalled

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26. Application of Proceeds. The proceeds of any foreclosure sale of the Mortgaged Premises or of any sale of property pursuant to Paragraph 22 hereof shall be distributed in the following order of priority:

First, on account of all costs and expenses incident to the foreclosure or other proceedings or other sale of property including, without limitation, all such items as are mentioned in Paragraphs 22 and 25 hereof;

Second, to all other items which under the terms hereof constitute indebtedness secured hereby in addition to that evidenced by the Note, the LC Note, the LC Junior Note, the Loan Agreement, or any other Security Instrument, with interest on such items as herein provided;

Third, to all principal of and interest on the Note and to all other obligations evidenced by the Note, the LC Note, the LC Junior Note, the Loan Agreement, or any other Security Instrument;

Fourth, to the payment of the surplus, if any, to whosoever may be lawfully entitled to receive the same.

27. Deficiency Decree. Without limitation of any other rights of Mortgagee, if in any foreclosure proceeding the Mortgaged Premises shall be sold for a sum less than the total amount of indebtedness for which judgment is therein given, the judgment creditor shall be entitled to the entry of a deficiency decree against Mortgagor and against the property of Mortgagor for the amount of such deficiency; and, to the maximum extent permitted by law, Mortgagor does hereby irrevocably consent to the appointment of a receiver for the Mortgaged Premises and the property of Mortgagor and of the rents, issues, avails, and profits thereof after such sale and until such deficiency decree is satisfied in full.

28. Mortgagee's Remedies Cumulative; No Waiver. No remedy or right of Mortgagee hereunder shall be exclusive of but shall be cumulative and in addition to every other remedy or right now or hereafter existing at law or in equity or by statute or otherwise, and, without limitation of the foregoing, nothing contained in this Mortgage shall be deemed to limit, restrict or abridge the scope of any lien or security interest granted Mortgagee pursuant to any other document or instrument or the scope of any right or remedy granted Mortgagee in connection with any such lien or security interest. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by Mortgagee, and none of them shall be to the exclusion of others. Mortgagee shall not be deemed to waive any of Mortgagee's rights or remedies hereunder unless such waiver be in writing and signed by or on behalf of Mortgagee. No delay, omission or forbearance by Mortgagee in exercising any of Mortgagee's rights or remedies shall operate as a waiver of such rights or remedies, and a waiver in writing on one occasion shall not be construed as a consent to or a waiver of any right or any remedy on any future occasion.

29. Lien Unconditional. Mortgagor acknowledges and agrees that the lien hereof shall be absolute and unconditional and shall not in any manner be affected or impaired by any acts or omissions whatsoever of Mortgagee and, without limiting the generality of the foregoing, the lien hereof shall not be impaired by any acceptance

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by Mortgagee of any security for or guarantors upon any of the indebtedness secured hereby or by any failure, neglect or omission on the part of Mortgagee to realize upon or protect any of the indebtedness secured hereby or any collateral security therefor. The lien hereof shall not in any manner be impaired or affected by any sale, pledge, surrender, compromise, settlement, release, renewal, extension, indulgence, alteration, substitution, exchange, change in, modification or disposition of any of the indebtedness secured hereby or of any of the collateral security therefor or of any guarantee thereof, and Mortgagee may, in its discretion, grant additional credit to Mortgagor without in any manner impairing the lien hereof. In order to foreclose the lien hereof and exercise the other rights granted Mortgagee hereunder and under applicable law, there shall be no obligation on the part of Mortgagee at any time to first resort for payment to any guaranty of the indebtedness secured hereby or any part thereof or to resort to any collateral security, property, liens or other rights or remedies whatsoever and Mortgagee shall have the right to enforce the lien hereof irrespective of whether or not other proceedings or steps are pending seeking resort to or realization upon or from any of the foregoing.

30. Mortgagee Party to Suits. If Mortgagee shall be made a party to or shall intervene in any action or proceeding affecting the Mortgaged Premises or the title thereto or the interest of Mortgagee under this Mortgage, or if Mortgagee employs an attorney to collect any or all of the indebtedness secured hereby or to enforce any of the terms hereof or realize hereupon or to protect the lien hereof, Mortgagor agrees to pay immediately to Mortgagee all reasonable costs, charges, expenses and attorneys' fees incurred by Mortgagee in any such case, and the same shall constitute so much additional indebtedness secured hereby payable upon demand with interest at the Default Interest Rate.

31. Notices. All communications provided for herein shall be in writing and shall be deemed to have been given when delivered personally or sent by Federal Express or similar overnight courier or mailed by registered or certified mail, postage prepaid, addressed to the parties hereto as follows (or addressed in such other manner as Mortgagor or Mortgagee may designate pursuant to a written notice sent in accordance with the provisions of this Paragraph 31). Any such notice shall be deemed given and effective upon receipt or refusal to accept receipt thereof by the primary party to whom it is to be sent.

If to Mortgagor: American National Bank and Trust  
Company of Chicago  
33 North LaSalle Street  
Chicago, Illinois 60690  
Attention: Land Trust Department

and

Golf-Skokie Associates I, an Illinois  
limited partnership  
Two North Riverside Plaza  
Chicago, Illinois 60606  
Attn.: Ms. Patricia L. Megahan

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with a copy to: Rosenberg, Liebenritt & Associates  
Two North Riverside Plaza  
Suite 1601  
Chicago, Illinois 60606  
Attn.: Sheli Z. Rosenberg, Esq. or  
James M. Phipps, Esq.

If to Mortgagee: Continental Bank N.A.  
231 South LaSalle Street  
Real Estate Department - 15th Floor  
Chicago, Illinois 60697  
Attn.: Mr. C. Richard Schuler

with a copy to: Barack, Ferrazzano, Kirschbaum & Perlman  
333 West Wacker Drive  
Suite 2700  
Chicago, Illinois 60606  
Attn: Howard J. Kirschbaum, Esq. or  
Jeffrey B. Katz, Esq.

32. Security Agreement.

(a) It is the intent of the parties hereto that this instrument shall constitute a security agreement within the meaning of the Code with respect to all fixtures, chattels and personal property, accounts, contract rights and general intangible and other collateral and all replacements thereof, substitutions therefor, additions thereto and proceeds thereof (said property being sometimes hereinafter referred to as the "Personal Property"), and that a security interest shall attach thereto for the benefit of Mortgagee to secure the indebtedness evidenced by the Note, the LC Note and the LC Junior Note, and all other obligations secured by this Mortgage, and all other sums and charges which may become due hereunder or thereunder. Mortgagor represents, warrants, and covenants that:

(i) Except for the security interest granted hereby, Mortgagor and Beneficiary are, or upon acquiring rights in any of the Personal Property will be, the owner of the Personal Property free from any other lien, security interest or encumbrance except for Prior Loan Documents; and Mortgagor and Beneficiary will defend the security interest of Mortgagee in the Personal Property against claims and demands of all persons at any time claiming the same or any interest therein.

(ii) No financing statement covering any Personal Property or any proceeds thereof is on file in any public office except for financing statements filed in connection with Prior Loan Documents, and at the request of Mortgagee, Mortgagor will join with Mortgagee in executing one or more financing statements pursuant to the Code in form satisfactory to Mortgagee and will pay the costs of filing or recording the same in all public offices wherever filing or recording is deemed by Mortgagee to be necessary or desirable.

(iii) Mortgagor hereby authorizes Mortgagee to file financing and continuation statements with respect to the Personal Property without the signature of Mortgagor whenever lawful.

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(b) The Personal Property will be kept at the Real Property, and until installed will be suitably and safely stored thereon.

(c) Mortgagor will not remove or permit to be removed from the Real Property any of the Personal Property without the prior written consent of Mortgagee unless such Personal Property is simultaneously replaced with property of equal value.

(d) Mortgagor shall, from time to time, on request of Mortgagee, deliver to Mortgagee an inventory of the Personal Property in reasonable detail.

33. Indemnification of Mortgagee. Except for willful misconduct or gross negligence, Mortgagee shall not be liable for any act or omission or error of judgment. Mortgagee may rely on any document believed by it in good faith to be genuine. All money received hereunder by Mortgagee need not be segregated (except to the extent required by applicable law), and Mortgagee shall not be liable for interest thereon, except as otherwise provided in Paragraph 7 hereof. Except for willful misconduct or gross negligence on the part of Mortgagee, Mortgagor shall indemnify Mortgagee against all liability and expenses that it may incur in the performance of its duties hereunder.

34. Severability. The parties intend that this Mortgage, the Note, the LC Note, the LC Junior Note, the Loan Agreement and all other Security Instruments shall be in compliance with all applicable laws and shall be enforceable in accordance with their respective terms. If any provision of this Mortgage, the Note, the LC Note, the LC Junior Note, the Loan Agreement or any other Security Instrument, or the application thereof, shall contravene or be held invalid under the governing laws, such term or provision shall be modified to the extent necessary to make it valid and enforceable, or shall be stricken, as circumstances may require, and this Mortgage shall be construed as if such term or provision to such extent had originally been included herein as so modified or had never been included herein, as the case may be. Without limitation of the foregoing, if at any time or times the interest and any sums considered for such purpose to be interest, payable under or by reason of the Note, the LC Note or the LC Junior Note, as the case may be, or any other documents or instruments referred to in the Note, the LC Note or the LC Junior Note, as the case may be, (including, without limitation, this Mortgage) should exceed the maximum which, by the laws of the State having jurisdiction, may be charged with respect to the loan evidenced by the Note, the LC Note or the LC Junior Note, as the case may be, given the nature and all of the pertinent circumstances of the loan, then all such sums in excess of such maximum shall be deemed not to be interest, but rather to be payments on account of principal, and without further agreement of the parties shall be so applied without regard to any other provision of the Note, the LC Note or the LC Junior Note, as the case may be, or such other document or instrument, provided that Mortgagee may elect instead that no sums shall be payable in excess of such maximum, whereupon the Note, the LC Note or the LC Junior Note, as the case may be, and such other documents and instruments shall be deemed amended accordingly without further action by any party.

35. Successors and Assigns. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Mortgage contained by or on behalf

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of Mortgagor, or by or on behalf of Mortgagee, shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not.

36. Headings. The headings in this instrument are for convenience of reference only and shall not limit or otherwise affect the meaning of any provision hereof.

37. Notice of Identity Changes. Without limitation of Paragraph 15 or any other provision hereof, Mortgagor shall give advance notice in writing to Mortgagee of any proposed change in Mortgagor's name or identity and shall execute and deliver to Mortgagee, prior to or concurrently with the occurrence of any such change, all additional financing statements that Mortgagee may require to establish and maintain the validity and priority of Mortgagee's security interest with respect to any of the Mortgaged Premises described or referred to herein.

38. Exemption of Trustee. This Mortgage is executed by Trustee, not personally but solely as trustee, as aforesaid. All the covenants and conditions to be performed hereunder by Trustee are undertaken by it solely as trustee, as aforesaid, and not individually, and no personal liability shall be asserted or be enforceable against Trustee by reason of any of the covenants, statements, representations or warranties contained in this instrument.

39. No Partnership. Nothing contained herein or in the Note, the LC Note, the LC Junior Note or any other Security Instrument is intended to or shall create any partnership, joint venture or association between Mortgagor and Mortgagee, or in any way make Mortgagee a co-principal with Mortgagor with reference to the Mortgaged Premises and any inferences to the contrary are hereby expressly negated.

40. Changes, Etc. This Mortgage and the provisions hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought.

41. Time. Time is and shall be of the essence of this Mortgage and the covenants and agreements of Mortgagor contained herein.

42. Governing Law. This Mortgage shall be governed by the internal laws of the State of Illinois (including, without limitation, its usury laws and the Uniform Commercial Code as adopted in Illinois).

43. No Reinstatement. If an Event of Default hereunder shall have occurred and Mortgagee shall have proceeded to have enforced any right, power or remedy permitted hereunder, then a tender of payment by Mortgagor or by anyone on behalf of Mortgagor of the amount necessary to satisfy the amount due hereunder made at any time prior to foreclosure or sale, or the acceptance by Mortgagee of any such payment so tendered, shall not constitute a reinstatement of the Note, the LC Note, LC Junior Note or this Mortgage.

44. Counterparts. This Mortgage may be executed in any number of identical counterparts, any or all of which may contain the signatures of less than all of the parties, and all of which shall be construed together as but a single instrument.

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IN WITNESS WHEREOF, Mortgagor and Mortgagee have caused this Mortgage, Assignment of Leases and Rents and Security Agreement to be executed and delivered, all as of the date and year first above written.

**MORTGAGOR:**

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally, but solely as Trustee under Trust Agreement dated June 26, 1984 and known as Trust Number 61447

The terms and conditions contained in this instrument to the contrary notwithstanding this instrument is subject to the provisions of the Trustee's Exculpatory Rider attached hereto and, made a part hereof.

**ATTEST:**

By:

*Claire Rosati Feley*  
Name: Claire Rosati Feley  
Title: ASSISTANT SECRETARY

By:

*P. JOHANSEN*  
Name: P. JOHANSEN  
Title: Second Vice President

GOLF-SKOKIE ASSOCIATES I, an Illinois limited partnership

By: Samuel Zell/Robert Lurie General Partners, the sole general partner

By:

*[Signature]*  
Name: \_\_\_\_\_  
Title: A General Partner

**MORTGAGEE:**

CONTINENTAL BANK N.A., a national banking association

**ATTEST:**

By:

*[Signature]*  
Name: *[Signature]*  
Title: *Vice President*

By:

*Charles R. Schuler*  
Name: Charles R. Schuler

9-075212

This instrument is executed by the undersigned Land Trustee, not personally but solely as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed that all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. It is further understood and agreed that the Trustee merely holds title to the property herein described and has no agents, employees or control over the management of the property and no knowledge of other factual matters except as represented to it by the beneficiary(ies) of the Trust. No personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Trustee on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee in this instrument, all such liability being expressly waived by every person now or hereafter claiming any right or security hereunder; and the owner of any indebtedness or cause of action for breach of any warranty, indemnity, representation, covenant, undertaking or agreement accruing hereunder shall look solely to the Trust estate for the payment thereof.

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STATE OF ILLINOIS

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COUNTY OF COOK

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I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that \_\_\_\_\_ President of American National Bank and Trust Company of Chicago, known to me to be acting not personally but as Trustee under Trust Agreement dated June 26, 1984 and known as Trust Number 61447 and \_\_\_\_\_ Assistant Secretary of said Bank, are subscribed to the foregoing instrument as such \_\_\_\_\_ President and \_\_\_\_\_ Assistant Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered said instrument as their own free and voluntary act and as the free and voluntary act of said Bank, as Trustee as aforesaid, for the uses and purposes therein set forth; and said \_\_\_\_\_ Assistant Secretary then and there acknowledged that he, as custodian of the corporate seal of said Bank, did affix the corporate seal of said Bank to said instrument as his own free and voluntary act and as the free and voluntary act of said Bank, as Trustee as aforesaid, for the uses and purposes therein set forth.

Given under my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_, 1990.

L. M. Sorienski  
Notary Public

My Commission expires: \_\_\_\_\_

STATE OF ILLINOIS

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COUNTY OF COOK

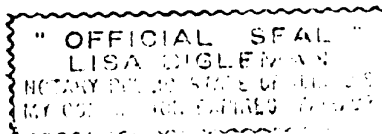
)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that \_\_\_\_\_ personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the foregoing instrument as his own free and voluntary act, as a general partner of Samuel Zell, Robert Lurie General partners, an Illinois general partnership, the general partner of Golf-Skokie Associates I, an Illinois limited partnership, and for the uses and purposes therein set forth.

Given under my hand and official seal, this \_\_\_\_\_ day of February, 1990.

Lisa Bigelman  
Notary Public

My Commission expires: \_\_\_\_\_



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STATE OF ILLINOIS

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COUNTY OF COOK

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I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Charles R. Schuler, Vice President of Continental Bank N.A., and Peter J. Liebst, Vice President Secretary of said corporation, who are subscribed to the foregoing instrument as such Vice President and Vice President 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 corporation for the uses and purposes therein set forth; and the said Vice President Secretary then and there acknowledged that he, as custodian of the corporate seal of said corporation, did affix the corporate seal of said corporation to said instrument as his own free and voluntary act and as the free and voluntary act of said corporation.

Given under my hand and official seal, this 13<sup>th</sup> day of February, 1940.

Isaac Potocki  
Notary Public

My Commission expires: \_\_\_\_\_

My Commission Expires June 16, 1940

Notary of Cook County Clerk's Office

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PARCEL 1:

The North 464.00 feet of that part of the Northwest 1/4 of the Northwest 1/4 of Section 15, Township 41 North Range 13 East of the Third Principal Meridian, lying West of the East 992.13 feet thereof together with the South 204.00 feet of the North 464.00 feet of the West 81.00 feet of the East 992.13 feet of said Northwest 1/4 of the North West 1/4 of the aforesaid Section 15, all taken as one tract, excepting from the above described tract that part thereof taken for streets and highways, all in Cook County, Illinois.

PARCEL 2:

The West 315.949 feet of the East 654.079 feet of the North 1/2 of the Northwest 1/4 of the Northwest 1/4 of Section 15, Township 41 North, Range 13 East of the Third Principal Meridian, excepting from the above described tract that part thereof taken for streets and highways, all in Cook County, Illinois.

PARCEL 3:

The West 338.051 feet of the East 992.13 feet of the South 117.00 feet of the North 282.00 feet of the Northwest 1/4 of the Northwest 1/4 of Section 15, Township 41 North, Range 13 East of the Third Principal Meridian, excepting from the above described tract the South 22.00 feet of the West 81.00 feet thereof in Cook County, Illinois.

PARCEL 4:

The West 338.051 feet of the East 992.13 feet of the North 165.00 feet of the Northwest 1/4 of the Northwest 1/4 of Section 15, Township 41 North, Range 13, East of the Third Principal Meridian, excepting therefrom that part thereof taken for streets and highways in Cook County, Illinois.

PARCEL 5:

The South 182.00 feet of the North 464.00 feet of that part of the Northwest 1/4 of the Northwest 1/4 of Section 15, Township 41 North, Range 13, East of the Third Principal Meridian lying East of the West line of the East 911.13 feet thereof, and lying West of the West line of the East 654.079 feet thereof, all in Cook County, Illinois.

PARCEL 6:

Easements for ingress, egress and parking as created by Trustee's Deed dated January 1, 1982 and recorded July 30, 1982 as Document 26,306,078 for the use and benefit of Parcels 1, 2 and 3 over the following described land:

That part of the North 1/2 of the Northwest 1/4 of the Northwest 1/4 of Section 15, Township 41 North, Range 13 East of the Third Principal Meridian, bounded and described as follows:

Commencing at the intersection of the East line of Skokie Boulevard as per condemnation Document 19,504,019 with the South line of the North 1/2 of the Northwest 1/4 of the Northwest 1/4 of said Section 15; thence East along said South line 390.165 feet to the point of beginning; thence North at right angles to the said South line 196.399 feet to a point in the South line of the North 464 feet of the Northwest 1/4 of the Northwest 1/4 of said Section 15, thence East along said North line 221.845 feet to a point in the West line of the East 654.079 feet of the North 1/2 of the Northwest 1/4 of the Northwest 1/4 of said Section 15; thence South along said West line 196.42 feet to a point in the said South line; thence West along said South line 218.966 feet to the point of beginning, all in Cook County, Illinois.

PARCEL 6A:

Leasehold interest as created by instrument dated January 1, 1982 and recorded July 30, 1982 as Document 26,306,041 made by LaSalle National Bank, as Trustee under Trust Agreement dated June 30, 1977 and known as Trust Number 52792, Lessor, to LaSalle National Bank, as Trustee under Trust Agreement dated October 15, 1970 and known as Trust Number 41281, Lessee, for a term of 99 years commencing on the date of the leasehold instrument over the following described land:

That part of the North 1/2 of the Northwest 1/4 of the Northwest 1/4 of Section 15, Township 41 North, Range 13 East of the Third Principal Meridian, bounded and described as follows:

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Commencing at the intersection of the East line of Skokie Boulevard per condemnation Document 19,504,019 with the South line of the North 1/2 of the Northwest 1/4 of the Northwest 1/4 of said Section 15; thence East along said South line 390.165 feet to the point of beginning; thence North at right angles to the said South line 196.399 feet to a point in the South line of the North 1/2 of the Northwest 1/4 of the Northwest 1/4 of said Section 15; thence East along said North line 221.845 feet to a point in the West line of the East 654.079 of the North 1/2 of Northwest 1/4 of the Northwest 1/4 of said Section 15; thence South along said West line 196.42 feet to a point in the said South line; thence West along said South line 218.966 feet to the point of beginning, all in Cook County, Illinois.

## PARCEL 7:

Easements for the use and benefit of Parcels 1, 2, 3, 4 and 5 over parts of the following described land.

The North 1/2 of the Northwest 1/4 of the Northwest 1/4 of Section 15, Township 41 North, Range 13 East of the Third Principal Meridian (except that part thereof falling in the following streets; Skokie Boulevard, Grosse Point road and Simpson Street; and except that part thereof falling in Parcels 1, 2, 3, 4 and 5) as created by Reciprocal Easement and Indenture Agreement recorded December 29, 1970 as Document 21,354,476 as amended by Modification Agreement recorded October 11, 1973 as Document 22,508,585.

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## EXHIBIT B

### Permitted Exceptions

1. Real Estate Taxes and Special Assessments not yet due and payable.
2. The Prior Loan Documents.
3. Trustee's Deed dated January 1, 1982 and recorded July 30, 1982 as Document No. 26,306,038 in the Office of the Recorder of Deeds, Cook County, Illinois ("Office of the Recorder").
4. Declaration of Easement recorded July 30, 1982 as document no. 26306040 in the Office of the Recorder.
5. Rights of the adjoining owners of the property described in Ticor Title Insurance Commitment No. 186886 dated July 11, 1984 to the concurrent use of said easements.
6. Lease dated January 1, 1982 and recorded July 30, 1982 as document no. 26,306041 in the Office of the Recorder.
7. Sewer Easement dated September 13, 1962 and recorded October 15, 1963 as document no. 18,616,902 in the Office of the Recorder.
8. Reciprocal Easement and Indenture Agreement dated December 28, 1970 and recorded December 29, 1970 as Document 21,354,476 in the Office of the Recorder, as modified by that certain Modification Agreement recorded October 11, 1973 as document 22,508,585 in the Office of the Recorder.
9. Easement Facilities Agreement dated March 5, 1971 and recorded March 26, 1971 as document no. 21,431,962 in the Office of the Recorder.
10. Easement Facilities Agreement recorded March 30, 1971 as document no. 21,435,140 in the Office of the Recorder.
11. Easement Facilities Agreement dated March 17, 1972 and recorded March 22, 1972 as document no. 21,843,995 in the Office of the Recorder.
12. Agreement dated October 1, 1973 and recorded December 7, 1973 as document no. 22,566,161 in the Office of the Recorder

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