

UNOFFICIAL COPY

11/11/2011 10:11 AM

11/11/2011

Property of Cook County Clerk's Office

11/11/2011 10:11 AM

11/11/2011

11/11/2011

This (Mortgage) is being re-recorded for the following purpose(s): to correct
acknowledgment date. It is not intended to encumber any property
previously released from this instrument. The re-recording is however
intended that this shall be dated back to the **89608995** date of
the original recording of this instrument.

UNOFFICIAL COPY

1/5/89

Loan No. 535921
Illinois

90083115

**MORTGAGE DEED
(WITH SECURITY AGREEMENT AND ASSIGNMENT OF RENTS AND LEASES)**

By this agreement dated December 6, 1989, the undersigned, Haverford at Schaumburg Limited Partnership, an Illinois Limited Partnership ("Mortgagor," whether one or more), whose address is 5999 New Wilke Road, Suite 504, Rolling Meadows, IL 60008, to secure the indebtedness and obligations hereinafter described, does hereby GRANT, BARGAIN, SELL, ASSIGN, and CONVEY, unto LOMAS MORTGAGE USA, INC., a Connecticut corporation ("Mortgagee"), the following described land (the "Land") located in Cook County, Illinois:

90083115

Legal Description Set Forth on Exhibit A attached hereto and made a part hereof;

TOGETHER WITH the following, whether now owned or hereafter acquired by Mortgagor: (a) all improvements (the "Improvements") now or hereafter attached to or placed, erected, constructed or developed on the Land; (b) all equipment, fixtures, furnishings, inventory and articles of personal property (the "Personal Property") now or hereafter attached to or used in or about the Improvements or which are necessary or useful for the complete and comfortable use and occupancy of the Improvements for the purposes for which they were or are to be constructed or developed, or which Personal Property is or may be used in or related to the planning, development, financing or operation of the Improvements, and all renewals of or, replacements or substitutions for any of the foregoing whether or not the same are or shall be attached to the Land or Improvements; (c) all building materials and equipment now or hereafter delivered to and intended to be installed in or on the Land or the Improvements; (d) all plans and specifications for the Improvements; (e) all Mortgagor's rights (but not its obligations) under any contracts relating to the Land, the Improvements or the Personal Property; (f) all permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Land, the Improvements and the Personal Property; (g) all proceeds arising from or by virtue of the sale, lease or other disposition of the Land, the Improvements or the Personal Property; (h) all proceeds (including premium refunds) of each policy of insurance relating to the Land, the Improvements or the Personal Property; (i) all proceeds from the taking of any of the Land, the Improvements, the Personal Property or any rights appurtenant thereto by right of eminent domain or by private or other purchase in lieu thereof; (j) all right, title and interest of Mortgagor in and to all streets, roads, public places, easements and rights-of-way, existing or proposed, public or private, adjacent to or used in connection with, belonging or pertaining to the Land; (k) all of the leases, rents, royalties, bonuses, issues, profits, revenues or other benefits of the Land, the Improvements or the Personal Property, including without limitation, cash or securities deposited pursuant to leases to secure performance by the lessees of their obligations thereunder; (l) all rights, hereditaments and appurtenances pertaining to the foregoing; and (m) other interests of every kind and character that Mortgagor now has or at any time hereafter acquires in and to the Land, Improvements and Personal Property described herein and all property described herein and all property that is used or useful in connection therewith, including rights of ingress and egress and all reversionary rights or interests of Mortgagor with respect to such property. The above-described property is collectively referred to herein as the "Mortgaged Property."

90083115

TO HAVE AND TO HOLD the Mortgaged Property, together with the rights, privileges and appurtenances thereto belonging, unto the Mortgagee and its substitutes or successors, forever, and Mortgagor hereby binds itself and its heirs, executors, administrators, personal representatives, successors and assigns to warrant and forever defend the Mortgaged Property unto the Mortgagee, and its successors and assigns, against the claim or claims of all persons claiming or to claim the same or any part thereof.

*Supplene 1991 51216703 of
No. Project*

89608995

25 Mail

25 Mail

89608995

UNOFFICIAL COPY

2.1 Assignment of Rents, Profits, etc.: All of the rents, royalties, bonuses, issues, profits, revenue, income, and other benefits derived from the mortgaged property or arising from the use or enjoyment of any portion thereof or from any lease or agreement pertaining thereto and liquidated damages following default under such leases, and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by damage to any part of the mortgaged property, together with any and all rights that mortgagor may have against any tenant under such leases or any subtenants or occupants of any part of the mortgaged property (hereinafter called the "Rents") are hereby absolutely and unconditionally assigned to mortgagee to be applied by mortgagee in payment of the indebtedness. Prior to an event of default, mortgagor shall have a license to collect and receive all Rents as trustee for the benefit of mortgagee and mortgagor, and mortgagor shall apply the funds so collected first to the payment of the indebtedness in such manner as mortgagee elects and thereafter to the account of mortgagor.

ASSIGNMENT OF RENTS AND LEASES

ARTICLE 2

9088315

The obligations above described are hereinafter collectively called the "Indebtedness." This mortgage, the Note, the Loan Agreement, and any other instrument given to evidence or further secure the Indebtedness are hereinafter collectively called the "Loan Instruments." All payments on the Indebtedness shall be payable at the address of mortgagee as set forth above, and unless otherwise provided in any instrument evidencing the Indebtedness, shall bear interest at the rate set forth in the Note, but not in excess of the highest rate permitted by applicable law, from the date of accrual of the indebtedness until paid.

1.4 Future Advances: This mortgage is given to secure payment of the Note, whether the entire amount thereof shall have been advanced to borrower at the date hereof, or at a later date, and to secure the payment and performance of all other liabilities and obligations of borrower under the Note or any of the other loan instruments (as hereinafter defined), and any other amount or amounts that may be added to the Indebtedness (as hereinafter defined) under the terms of this mortgage, all of which indebtedness being equally secured with and having the same priority as any amounts advanced at the date hereof. It is agreed that any future advances made by mortgagee to or for the benefit of borrower or mortgagor from time to time under this mortgage or the loan instruments and whether or not such advances are obligatory or are made at the option of mortgagee, or otherwise, made at any time from the date of this mortgage, and all interest accruing thereon, shall be equally secured by this mortgage and have the same priority as all amounts, if any, advanced as of the date hereof and be subject to a lien in favor of mortgagee. The total amount of the terms and provisions of this mortgage. The total amount of indebtedness that may be so secured may increase or decrease from time to time, but the total unpaid balance so secured at any one time, plus interest thereon, plus any disbursements made for the payment of taxes, levies, insurance or other liens, charges or encumbrances on the mortgaged property, plus interest on such disbursements at the rate provided herein and in the Note, shall not exceed five hundred percent (500%) of the face amount of the Note.

56680968

1.3 Mortgage: Payment of all sums advanced by mortgagee to or for the benefit of mortgagor contemplated hereby and performance of all obligations and covenants herein contained.

1.2 Loan Agreement: Performance of all obligations of mortgagor under any loan agreement, tri-party financing agreement or any other agreements (collectively, the "Loan Agreement") between mortgagor and mortgagee pertaining to the use of the proceeds of the Note.

6 Note: Payment of the indebtedness evidenced by the promissory Note (the "Note"), dated of even date herewith, in the stated principal amount of FIVE HUNDRED TWENTY SEVEN THOUSAND NINE HUNDRED FORTY THREE AND NO/100 DOLLARS (\$527,943.00), executed by mortgagor, payable to the order of mortgagee, whose address is 2001 Bryan Tower, Suite 3700, Dallas, Texas 75201 and P. O. Box 650096, Dallas, Texas 75265, and bearing interest and being payable as set forth therein, and all modifications, increases, and renewals thereof made from time to time.

This mortgage is given to secure the following:

INDEBTEDNESS

ARTICLE 1 0 8 9 5

UNOFFICIAL COPY

3.1 Security Interest: This mortgage shall be a security agreement between Mortgagor, as the debtor, and Mortgagee, as the secured party, covering the mortgaged property consisting of personal property or fixtures governed by the Illinois Uniform Commercial Code (hereinafter called the "Code"), and Mortgagor grants to Mortgagee a security interest in such portion of the mortgaged property. In addition to Mortgagee's other rights hereunder, Mortgagee shall have all rights of a secured party under the Code. Mortgagor shall execute and deliver to Mortgagee all financing statements that may be required by Mortgagee to establish and maintain the validity and priority of Mortgagee's security interest, and Mortgagor shall bear all costs thereof, including all Uniform Commercial Code searches reasonably required by Mortgagee. If Mortgagee should dispose of any of the mortgaged property pursuant to the Code, ten (10) days' written notice by Mortgagee to Mortgagor shall be deemed to be reasonable notice; provided, however, Mortgagee may dispose of such property in accordance with the foreclosure procedures of this mortgage in lieu of proceeding under the Code.

3.2 Notice of Changes: Mortgagor shall give advance notice in writing to Mortgagee of any proposed change in Mortgagor's name, identity, or structure and will 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 property described or referred to herein.

3.3 Fixtures: Some of the items of the mortgaged property described herein are goods that are or are to become fixtures related to the land, and it is intended that, as to those goods, this mortgage shall be effective as a financing statement filed as a fixture filing from the date of its filing for record in the real estate records of the county in which the mortgaged property is situated within the purview of Section 9.402(b) of the Code. Information concerning the security interest created by this instrument may be obtained from Mortgagee, as secured party, at the address of Mortgagee stated above. The mailing address of the Mortgagor, as debtor, is as stated above.

SECURITY AGREEMENT

89608995

ARTICLE 3

2.5 Right to Rent: Mortgagor hereby authorizes and directs the tenants under the leases to pay rents to Mortgagee upon written demand by Mortgagor 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.

2.4 Mortgagee in Possession; Indemnification: Mortgagee's acceptance of this assignment shall not, prior to entry upon and taking possession of the mortgaged property by Mortgagee, be deemed to constitute a "mortgagee in possession," nor obligate Mortgagee to appear in or defend any proceeding relating to any of the leases or to the mortgaged property, take any action hereunder, expend any money, incur any expenses, or perform any obligation or liability under the leases, or 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 person or property in or about the mortgaged property. Mortgagor hereby indemnifies and holds Mortgagee harmless from all liability, damage or expense incurred by Mortgagee from any claims under the leases, including, without limitation, claims by tenants for security deposits or for rental payments more than (1) month in advance and not delivered to Mortgagee. All amounts indemnified against hereunder, including reasonable attorneys' fees, if paid by Mortgagee shall bear interest at the maximum lawful rate and shall be payable by Mortgagor immediately without demand and shall be secured hereby.

2.3 Leasing: Mortgagor covenants and agrees that without the prior written consent of Mortgagee, it shall not enter into any lease of the mortgaged property.

2.2 Assignment of Leases: Mortgagor hereby assigns to Mortgagee all existing and future leases, including subleases thereof, and all extensions, renewals, modifications, and replacements thereof, upon any part of the mortgaged property (the "Leases"). Mortgagor hereby further assigns to Mortgagee all guarantees of tenants' performance under the leases. Prior to an Event of Default, Mortgagor shall have the right, without joinder of Mortgagee, to enforce the leases, unless Mortgagee directs otherwise.

8 9 6 0 8 9 9 5

REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF MORTGAGOR

Mortgagor does hereby covenant, warrant and represent to and agree with Mortgagee as follows:

4.1 Payment and Performance: Mortgagor shall make all payments on the indebtedness when due and shall punctually and properly perform all of Mortgagor's covenants, obligations and liabilities under the loan instruments.

4.2 Title to Mortgaged Property and Lien of this Mortgage: Mortgagor has good and indefeasible title to the land and the improvements, liens, charges, encumbrances, security interests, and adverse claims whatsoever, except as otherwise provided herein. If the interest of Mortgagor in the Mortgaged Property or any part thereof, shall be endangered or shall be attacked, directly or indirectly, Mortgagor hereby authorizes Mortgagor, at Mortgagor's expense, to take all necessary and proper steps for the defense of such interest, including the employment of counsel, the prosecution or defense of litigation, and the compromise or discharge of claims made against such interest.

4.3 Organization, Power and Existence: Mortgagor (a) is duly organized, validly existing under applicable state laws and in the laws of the state of its formation and in good standing under the laws of the state of its formation and the laws of Illinois; (b) has complied with all conditions prerequisite to its lawfully doing business in the state where the land is situated, and (c) has all requisite power and all governmental certificates of authority, licenses, permits, qualifications, and documentation to own, lease and operate its properties and to carry on its business as now being, and as proposed to be, conducted. All loan instruments are within Mortgagor's powers, have been duly authorized by all requisite action and are not in contravention of law or the powers of Mortgagor's organizational documents. Mortgagor will preserve and keep in full force and effect its existence, rights, franchises, and trade names.

4.4 Insurance: Mortgagor shall, at its sole cost and expense, obtain and maintain title insurance, public liability insurance, and builder's risk and casualty insurance in such forms and amounts as are required by the Loan Agreement, or otherwise required by Mortgagor. Mortgagor shall deliver the policies of insurance or certificates thereof in form and substance satisfactory to Mortgagee promptly as issued; and, if Mortgagee fails to do so, Mortgagee, at its option, may procure such insurance at Mortgagee's expense. All renewal and substitute policies of insurance or certificates thereof in form and substance satisfactory to Mortgagee shall be delivered at the office of Mortgagee, premiums paid, at least ten (10) days before termination of policies theretofore delivered to Mortgagee. In case of loss, Mortgagee, at its option, shall be entitled to receive and retain the proceeds of the insurance policies, applying the same on the indebtedness. If any loss shall occur at any time when Mortgagee shall be in default hereof, Mortgagee shall be entitled to the benefit of all insurance held by or for any Mortgagee, to the same extent as if it had been made payable to Mortgagee, and upon foreclosure hereunder, Mortgagee shall become the owner thereof.

4.5 Taxes and Assessments: Mortgagor will pay all taxes and assessments against or affecting the Mortgaged Property as the same become due and payable, and, upon request by Mortgagee, Mortgagor will deliver to Mortgagee such evidence of the payment thereof as Mortgagee may require, and if Mortgagee fails to do so, Mortgagee may pay them, together with all costs and penalties thereon, at Mortgagee's expense.

4.6 Tax and Insurance Escrow: At the request of Mortgagee, Mortgagor shall create a fund or reserve for the payment of all insurance premiums, taxes and assessments against or affecting the Mortgaged Property in such manner and in such amount as Mortgagee shall request.

4.7 Condemnation: All judgments, decrees and awards for injury or damage to the Mortgaged Property, and all awards pursuant to proceedings for condemnation thereof, are hereby assigned in their entirety to Mortgagee, who may apply the same to the indebtedness in such manner as it may elect; and Mortgagee is hereby authorized, in the name of Mortgagor, to execute and deliver valid acquittances for, and to appeal from, any such award, judgment or decree. Immediately upon its obtaining knowledge of the institution or the threatened institution of any proceedings for the condemnation of the

UNOFFICIAL COPY

4.14 Further Assurances: Mortgagor, upon the request of Mortgagee, will execute, acknowledge, deliver, and record such further instruments and do such further acts as may be necessary, desirable or proper to carry out the purposes of the loan instruments and to subject to the liens and security interests created thereby any property intended by the terms thereof to be covered thereby, including specifically but without limitation, any renewals, substitutions, replacements, improvements, or

4.13 Hold Harmless: Mortgagor will defend, at its own cost and expense, and hold Mortgagee harmless from, any proceeding or claim affecting the Mortgaged Property or the loan instruments. All costs and expenses incurred by Mortgagee in protecting its interests hereunder, including all court costs and reasonable attorneys' fees, shall be borne by Mortgagor. The provisions of this section shall survive the payment in full of the indebtedness and the release of this Mortgage as to events occurring and causes of action arising before such payment and release.

4.12 Compliance with Laws: Mortgagor, the Mortgaged Property, and the use thereof by Mortgagee shall comply with all laws, rules, ordinances, regulations, covenants, conditions, restrictions, orders and decrees of any governmental authority or court applicable to Mortgagor, Mortgaged Property, and its use, and Mortgagor shall pay all fees or charges of any kind in connection therewith.

4.11 No Pledge or Change of Stock or Partnership Interest: If Mortgagor is a corporation, the shareholders of Mortgagor shall not sell, pledge or assign any shares of the stock of Mortgagor without the prior written consent of Mortgagee. If Mortgagor is a partnership or joint venture, the partners or joint venturers of Mortgagor shall not sell, pledge or assign any of their partnership or joint venture interest in Mortgagor without the prior written consent of Mortgagee.

4.10 Repair, Waste, Alterations, etc.: Mortgagor will keep every part of the Mortgaged Property in good operating order, repair and condition and shall not commit or permit any waste thereof. Mortgagor will make promptly all repairs, renewals and replacements necessary to such end. Mortgagor will discharge all claims for labor performed and material furnished therefor, and will not suffer any lien of mechanics or materialmen to attach to any part of the Mortgaged Property. Mortgagor shall have the right to contest in good faith the validity of any such mechanics or materialmen's lien, provided Mortgagor shall first deposit with Mortgagee a bond or other security satisfactory to Mortgagee in such amount as Mortgagee shall require, and provided further that Mortgagor shall thereafter diligently proceed to cause such lien to be removed and discharged. Mortgagor will guard every part of the Mortgaged Property from removal, destruction and damage, and will not do or suffer to be done any act whereby the value of any part of the Mortgaged Property may be lessened.

4.9 Statements by Mortgagor: At the request of Mortgagee, Mortgagor shall furnish promptly a written statement or affidavit, in such form as may be required by Mortgagee, stating the unpaid balance of the Note, the date to which interest has been paid and that there are no offsets or defenses against full payment of the Note and performance of the terms of the loan instruments, or if there are any such offsets or defenses, specifying them.

4.8 Taxes on Note or Mortgage: At any time any law shall be enacted imposing or authorizing the imposition of any tax upon this Mortgage, or upon any rights, titles, or security interests created hereby, or upon the Note, or any part thereof, Mortgagor shall immediately pay all such taxes (excluding any state or federal income taxes charged to or assessed on Mortgagee); provided, that it is unlawful for Mortgagor to pay such taxes, Mortgagor shall prepay the Note in full without penalty, after demand therefor by Mortgagee.

Mortgaged Property, Mortgagor shall notify Mortgagee of such fact. Mortgagor shall then, if requested by Mortgagee, file or defend its claim thereunder and prosecute same with due diligence to its final disposition and shall cause any awards or settlements to be paid over to Mortgagee for disposition pursuant to the terms of this Mortgage. Mortgagee shall be entitled to participate in and to control same and to be represented therein by counsel of its own choice, and Mortgagor will deliver, or cause to be delivered, to Mortgagee such instruments as may be requested by it from time to time to permit such participation. In the event Mortgagee, as a result of any such judgment, decree or award, reasonably believes that the payment or performance of any obligation secured by this Mortgage is impaired, Mortgagee may, without notice, declare all of the indebtedness immediately due and payable.

9008315

89608995

6.3 Release of Lien: If Mortgagor shall perform each of the covenants and agreements herein contained, then this conveyance shall become null and void and shall be released at Mortgagor's written request and expense; otherwise, it shall remain in full force and effect. No release or modification of this conveyance, or of the lien, security interest or assignment created and evidenced hereby, shall be valid unless executed by Mortgages.

6.2 Change in Ownership: If the ownership (legal or beneficial) of the mortgaged property or any part thereof becomes vested in a person other than Mortgagor, or in the event of a change of ownership of Mortgagor, Mortgages may, without notice to Mortgagor (whether legal or beneficial), deal with such successor or successors in interest with reference to this Mortgage and to the Indebtedness in the same manner as with Mortgagor without in any way violating or discharging Mortgagor's liability hereunder or upon the Indebtedness. No sale of the Mortgaged Property, and no forbearance on the part of Mortgages, and no extension of the time for the payment of the Indebtedness, shall operate to release or affect the original liability of Mortgagor.

6.1 Collection: If the Indebtedness shall be collected by legal proceedings, whether through a probate or bankruptcy court or otherwise, or shall be placed in the hands of an attorney for collection after default or maturity, Mortgagor agrees to pay the attorneys' and collection fees in the amount set forth in the Note, and such fees shall be a part of the Indebtedness.

MISCELLANEOUS

89608995

ARTICLE 6

Mortgagor will not, without the prior written consent of Mortgages, grant any lien, security interest, or other encumbrance affecting any of the mortgaged property ("Additional Lien"). If Mortgages consents to an Additional Lien or if the foregoing prohibition is determined by a court of competent jurisdiction to be unenforceable, any such Additional Lien shall contain express covenants to the effect that the Additional Lien is unconditionally subordinate to this Mortgage and all modifications, renewals, extensions, or increases thereof. Any default under an Additional Lien shall be an Event of Default hereunder.

ADDITIONAL LIENS

ARTICLE 5

4.17 Modification by Subsequent Owners: Each Mortgagor agrees that it shall be bound by any modification of this Mortgage or any of the other Loan Instruments made by Mortgages and any subsequent owner of the mortgaged property with or without notice to such Mortgagor, and no such modifications shall impair the obligations of such Mortgagor under this Mortgage or any other of the Loan Instruments. Nothing in this section shall be construed as permitting any transfer of the mortgaged property which would constitute an Event of Default under other provisions of this Mortgage.

4.16 Income, Expense and Financial Statements. (a) Within thirty (30) days following Mortgages's request, Mortgagor shall deliver to Mortgages then current financial statements, in form and content satisfactory to Mortgages, itemizing the income and expenses of the mortgaged property, (b) within sixty (60) days following the end of its fiscal year, Mortgagor shall deliver to Mortgages then current financial statements of Mortgagor, in form and content satisfactory to Mortgages, and (c) within thirty (30) days following Mortgages's request, Mortgagor shall cause any other party liable on the Indebtedness (or on any part thereof) to deliver to Mortgages then current financial statements of such party, in form and content satisfactory to Mortgages, and if requested by Mortgages, such financial statements in (b) and (c) hereof shall be audited by an independent certified public accountant.

4.15 Payment of Debts: Mortgagor shall promptly pay when due all obligations regarding the ownership and operation of the mortgaged property except any such obligations which are being diligently contested in good faith by appropriate proceedings and as to which Mortgagor, if requested by Mortgages, shall have furnished to Mortgages security satisfactory to Mortgages.

UNOFFICIAL COPY

Mortgaged Property may be released by Mortgagee without affecting the lien, security interest and assignment hereof against the remainder. The lien, security interest and other rights granted hereby shall not affect or be affected by any other security taken for the Indebtedness. The taking of additional security, or the extension or renewal of the Indebtedness or any part thereof, shall not release or impair the lien, security interest and other rights granted hereby, or affect the liability of any endorser or guarantor or improve the right of any permitted junior lienholder; and this Mortgage, as well as any instrument given to secure any renewal or extension of the Indebtedness, or any part thereof, shall be and remain a first and prior lien, except as otherwise provided herein, on all of the Mortgaged Property not expressly released until the Indebtedness is paid.

6.5 Waiver of Marshalling, Redemption and Certain Rights: To the extent that Mortgagor may lawfully do so, Mortgagor hereby expressly waives any right pertaining to the marshalling of assets, any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage Deed (for itself and on behalf of each and every person and entity, except decree or judgment creditors of the Mortgagor, acquiring any interest in or title to the Mortgaged Property subsequent to the oath hereof), the exemption of homestead, the administration of estates of decedents, or other matter to defeat, reduce or affect the right of Mortgagee to sell the Mortgaged Property for the collection of the Indebtedness (without any prior or different resort for collection), or the right of Mortgagee to the payment of the Indebtedness out of the proceeds of sale of the Mortgaged Property in preference to every other person and claimant.

6.6 No Waiver: No waiver of any default on the part of Mortgagee or breach of any of the provisions of this Mortgage or of any other instrument executed in connection with the Indebtedness shall be considered a waiver of any other or subsequent default or breach, and no delay or omission in exercising or enforcing the rights and powers herein granted shall be construed as a waiver of such rights and powers, and likewise no exercise or enforcement of any rights or powers hereunder shall be held to exhaust such rights and powers, and every such right and power may be exercised from time to time. Acceptance by Mortgagee of partial payments shall not constitute a waiver of the default by failure to make full payments.

6.7 Limitation on Interest: All agreements between Mortgagor and Mortgagee, whether now existing or hereafter arising and whether written or oral, are hereby limited in accordance with the Note and the other Loan Instruments, so that in no contingency, whether by reason of acceleration of the maturity of any of the Indebtedness or otherwise, shall the interest contracted for, charged or received by Mortgagee exceed the maximum amount permissible under applicable law.

89608995

6.8 Successors and Assigns; Use of Terms: The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, personal representatives, successors, and assigns of the parties hereto. Whenever used, the singular number shall include the plural and the plural the singular, and the use of any gender shall be applicable to all genders. The term "Mortgagor" shall include in their individual capacities and jointly all parties hereinabove named a Mortgagor. The term "Mortgagee" shall include any lawful owner, holder, pledgee, or assignee of any of the Indebtedness. The duties, covenants, conditions, obligations, and warranties of Mortgagee in this Mortgage shall be joint and several obligations of Mortgagor and each Mortgagor, if more than one, and Mortgagor's heirs, executors, administrators, personal representatives, successors and assigns. Each party who executes this Mortgage and each subsequent owner of the Mortgaged Property, or any part thereof (other, than Mortgagee), covenants and agrees that it will perform, or cause to be performed, each term and covenant of this Mortgage.

90083115
5118306

6.9 Mortgagee's Consent: Except as otherwise provided herein, in any instance hereunder where Mortgagee's approval or consent is required or the exercise of Mortgagee's judgment is required, the granting or denial of such approval or consent and the exercise of such judgment shall be within the sole discretion of Mortgagee, and Mortgagee shall not, for any reason or to any extent, be required to grant such approval or consent or exercise such judgment in any particular manner regardless of the reasonableness of either the request or Mortgagee's judgment.

6.10 Severability: If any provision of this Mortgage is held to be illegal, invalid, or unenforceable under present or future laws effective while this Mortgage is in effect, the legality, validity and enforceability of the remaining provisions of this Mortgage shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable provision there

shall be added automatically as a part of this mortgage a provision which is legal, valid and enforceable and as similar in terms to such illegal, invalid or unenforceable provision as may be possible. If any of the Indebtedness should be unsecured, the unsecured portion of the Indebtedness shall be completely paid prior to the payment of the secured portion of such Indebtedness, and all payments made on account of the Indebtedness shall be considered to have been paid on and applied first to the complete payment of the unsecured portion of the Indebtedness.

6.11 Modification or Termination: The Loan Instruments may only be modified or terminated by a written instrument or instruments executed by the party against which enforcement of the modification or termination is asserted. Any alleged modification or termination which is not so documented shall not be effective as to any party.

6.12 No Partnership: Nothing contained in the Loan Instruments is intended to 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 Property, and any inferences to the contrary are hereby expressly negated.

6.13 No Homestead: With respect to each Mortgagor who is an individual, no part of the Mortgaged Property constitutes any part of his business or residential homestead.

6.14 Headings: The Article, Paragraph and Subparagraph headings hereof are inserted for convenience of reference only and shall not alter, define, or be used in construing the text of such Articles, Paragraphs or Subparagraphs.

6.15 Construction Mortgage: This Mortgage constitutes a "construction mortgage" as defined in Section 9-313(1)(c) of the Code and secures an obligation incurred for the construction of the Improvements, including the acquisition cost of the Land.

6.16 Entire Agreement: The Loan Instruments constitute the entire understanding and agreement between Mortgagor and Mortgagee with respect to the transactions arising in connection with the Indebtedness and supersede all prior written or oral understandings and agreements between Mortgagor and Mortgagee in connection therewith.

6.17 Business Loan. Mortgagor hereby represents, warrants, and covenants that the Indebtedness constitutes and qualifies as a "business loan" within the meaning, purview, and intent of Chapter 17, 6404(1)(c) of the Illinois Revised Statutes.

6.18 Maximum Indebtedness. Notwithstanding anything to the contrary herein contained, in no event shall the Indebtedness hereby secured exceed the sum of FIVE HUNDRED TWENTY SEVEN THOUSAND NINE HUNDRED FORTY THREE No/100 Dollars (\$527,943.00). 89608995

6.19 Notices. Except as otherwise provided in Section 8.2 of this Mortgage, all notices, demands, requests, approvals and other communications required or permitted hereunder shall be in writing and shall be deemed to have been given when presented personally or deposited in a regularly maintained mail receptacle of the United States Postal Service, postage prepaid, registered or certified, return receipt requested, addressed to Mortgagor at its address set forth in the first paragraph of this Mortgage or to Mortgagee at its address set forth in Section 1.1 hereof, or such other address as Mortgagor or Mortgagee may from time to time designate by written notice to the other as herein required.

ARTICLE 7

90083115

EVENTS OF DEFAULT

The occurrence of any one of the following shall be a default hereunder ("Event of Default"):

7.1 Failure to Pay Indebtedness: If any of the Indebtedness is not paid when due, whether by acceleration or otherwise.

7.2 Non-Performance of Covenants: If any of the covenants in the Loan Instruments are not fully and timely performed.

7.3 False Representation: If any statement, representation or warranty in the Loan Instruments, any financial statement or any other writing delivered to Mortgagee in connection with the Indebtedness is false,

7.4 Bankruptcy or Insolvency: If the owner of the Mortgaged Property (a) does not pay its debts as they become due or admits in writing its inability to pay its debts or makes a general assignment for the benefit of creditors; or (a) commences any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors; or (1) has a trustee, receiver, custodian or other similar official appointed for or take possession of all or any part of the Mortgaged Property or any other of its property or has any court take jurisdiction of any other of its property which remains undismissed for a period of sixty (60) days.

7.5 Transfer of the Mortgaged Property: Title to all or any part of the Mortgaged Property (other than obsolete or worn Personal Property replaced by adequate substitutes of equal or greater value than the replaced items when new) shall become vested in any party other than Mortgagor, whether by operation of law or otherwise.

7.6 Abandonment: If Mortgagor abandons any of the Mortgaged Property.

7.7 Foreclosure of Other Liens: If the holder of any lien, security interest or assignment on the Mortgaged Property institutes foreclosure or other proceedings for the enforcement of its remedies thereunder.

ARTICLE 8

REMEDIES

89608995

8.1 Exercise of Specific Remedies: If an Event of Default shall occur, Mortgagee may exercise any one or more of the following remedies, without notice:

(a) Acceleration: Mortgagee may declare the Indebtedness immediately due and payable, without notice, whereupon the same shall become immediately due and payable. Mortgagor hereby waives notice of intent to accelerate and notice of acceleration.

(b) Enforcement of Assignment of Rents and Leases: Mortgagee may to the extent permitted by applicable law:

(1) terminate the license granted to Mortgagor to collect the Rents, collect and sue for the Rents in Mortgagee's own name, give receipts and releases therefor, and after deducting all expenses of collection, including reasonable attorneys' fees, apply the net proceeds thereof to any Indebtedness as Mortgagee may elect;

(2) make, modify, enforce, cancel, terminate or accept surrender of any Leases, evict tenants, adjust the Rents, maintain, decorate, refurbish, repair, clean, and make space ready for renting, and otherwise do anything Mortgagee deems advisable in connection with the Mortgaged Property;

(3) apply the Rents so collected to the operation and management of the Mortgaged Property, including the payment of reasonable management, brokerage and attorneys' fees, and/or to the Indebtedness; and

90083115

(4) require Mortgagor to transfer all security deposits and records thereof to Mortgagee, together with all original counterparts of the Leases.

8.2 Enforcement of Lien. When the Indebtedness or any part thereof, shall become due, whether by acceleration or otherwise, or upon the occurrence of an Event of Default, Mortgagee shall have the right (a) to foreclose the lien hereof for such Indebtedness, or (b) to take such other action to protect and enforce Mortgagee's rights hereunder and the lien hereof, as Mortgagee deems advisable, including but not limited to the right, if permitted by applicable law, to sell the Mortgaged Property or any part thereof at public auction, in such manner, at such time and place, upon such terms and conditions, and upon such public notice (consisting of at least an advertisement in a newspaper of general circulation in the county or city in which the Mortgaged Property is located for not less than once a week for two

UNOFFICIAL COPY

successive weeks, or such period as the applicable law may then require) and, in case of default of any purchaser, resell with postponement of sale or resale, and upon such public notice thereof, as Mortgagee may determine, and upon judicial approval if then required by law, convey the Mortgaged Property in fee simple and without liability of any purchaser to see to the application of purchase money. In any suit to foreclose the lien hereof, or in the event of any public auction sale, there shall be allowed and included as additional Indebtedness in the decree of sale or otherwise, all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorney's fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurance with respect to title, as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at sales, the true conditions of the title to or the value of the Mortgaged Property. All expenditures and expenses of the nature mentioned in this Paragraph, and such other expenses and fees as may be incurred in the protection of the Mortgaged Property and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Mortgagee in any litigation, proceedings or sale affecting this Mortgage, the Note or the Mortgaged Property, including probate and bankruptcy proceedings, or in preparation of the commencement or defense of any proceedings or threatened suit or proceeding, shall be so much additional Indebtedness and shall be immediately due and payable by Mortgagor, with interest thereon at the lesser of the highest lawful rate per annum or the default rate specified in this Note until paid.

8.3 Receiver. Upon, or at any time after, the filing of a complaint to foreclose this Mortgage, the Court in which such complaint is filed may appoint a receiver of the Mortgaged Property. Such appointment may be made either before or after sale, without regard to solvency or insolvency of Mortgagor at the time of application for such receiver, and without regard to the then value of the Mortgaged Property or whether the same shall be then occupied as a homestead or not; and Mortgagee or any employee or agent thereof may be appointed as such receiver. Such receiver shall have the power to collect the rents, issues and profits of the Mortgaged Property during the pendency of such foreclosure suit and, in case of a sale and deficiency, during the full statutory period of redemption, if any, whether there be a redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collection of such rents, issues and profits and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property during the whole of said period. The Court may, from time to time authorize the receiver to apply the net income from the Mortgaged Property in his hands in payment in whole or in part of:

(a) The Indebtedness or the indebtedness secured by a decree foreclosing this Mortgage, or any tax, special assessment, or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to the foreclosure sale; or

89608995

(b) The deficiency in case of a sale and deficiency.

8.4 Proceeds of Foreclosure Sale. The proceeds of any foreclosure or public auction sale of the Mortgaged Property shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings or public auction; Second, all other items which, under the terms hereof, constitute Indebtedness additional to that evidenced by the Note, with interest on such items as herein provided; Third, to interest remaining unpaid upon the Note; Fourth, to the principal remaining unpaid upon the Note; and lastly, any overplus to Mortgagor, and its successors or assigns, as their rights may appear.

8.5 Tenancy at Will: In the event of a foreclosure sale hereunder, if at the time of such sale Mortgagor occupies the portion of the Mortgaged Property so sold or any part thereof, Mortgagor shall immediately become the tenant of the purchaser at such sale, which tenancy shall be a tenancy from day to day, terminable at the will of either tenant or landlord, at a reasonable rental per day based upon the value of the portion of the Mortgaged Property so occupied, such rental to be due and payable daily to the purchaser. An action of forcible detainer shall lie if the tenant

9028315

holds over after a demand in writing for possession of such Mortgaged Property.

8.6 Lawsuits: 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, or for any foreclosure hereunder or for the sale of the Mortgaged Property under the judgment or decree of any court or courts of competent jurisdiction.

8.7 Entry on Mortgaged Property: Upon occurrence of an event of default hereunder, Mortgagee may, if and to the extent permitted by applicable law, enter into and upon and take possession of all or any part of the Mortgaged Property, and may exclude Mortgagor, and all persons claiming under Mortgagor, and its or their agents or servants, wholly or partly therefrom; and, holding the same, Mortgagee may use, administer, manage, operate, and control the Mortgaged Property and may exercise all rights and powers of Mortgagor in the name, place and stead of Mortgagor, or otherwise, as the Mortgagor shall deem best; and in the exercise of any of the foregoing rights and powers Mortgagee shall not be liable to Mortgagor for any loss or damage thereby sustained unless due solely to the willful misconduct or gross negligence of Mortgagee. The taking of possession under this paragraph shall not prevent concurrent or later proceedings for the foreclosure sale of the Mortgaged Property as provided elsewhere herein.

8.8 Mortgagee's Right to Perform: Upon Mortgagor's failure to make any payment or perform any act required by the Loan Instruments, then at any time thereafter, and without notice to or demand upon Mortgagor and without waiving or releasing any other right, remedy or recourse, Mortgagee may (but shall not be obligated to) make such payment or perform such act for the account of and at the expense of Mortgagor, and shall have the right to enter the Mortgaged Property for such purpose and to take all such action thereon as it may deem necessary or appropriate.

8.9 Reimbursement of Expenditure: If Mortgagee shall expend any money chargeable to Mortgagor or subject to reimbursement by Mortgagor under the terms of the Loan Instruments, Mortgagor will repay the same to Mortgagee immediately at the place where the Note is payable, together with interest thereon at the highest rate permitted by applicable law from and after the date of each such expenditure by Mortgagee.

8.10 Other: Mortgagee may exercise any and all other rights, remedies and recourses granted under the Loan Instruments now or hereafter existing in equity or at law for the protection and preservation of the Mortgaged Property.

8.11 Remedies Cumulative, Concurrent and Nonexclusive: Mortgagee shall have all rights, remedies and recourses granted in the Loan Instruments and available at law or equity (including, without limitation, those granted by the Code and applicable to the Mortgaged Property, or any portion thereof) and same (a) shall be cumulative and concurrent, (b) may be pursued separately, successively or concurrently against Mortgagor or others obligated for the Indebtedness, or any part thereof or against any one or more of them, or against the Mortgaged Property, at the sole discretion of Mortgagee, (c) may be exercised as often as occasion therefor shall arise, it being agreed by Mortgagor that the exercise or failure to exercise any of same shall in no event be construed as a waiver or release thereof or of any other right, remedy or recourse, and (d) are intended to be, and shall be, nonexclusive.

ARTICLE 9

89608995

HAZARDOUS MATERIALS

9.1 Mortgagor's Warranties. Mortgagor hereby represents and warrants that no hazardous waste (as defined in 42 U.S.C. 6901, et seq.) or hazardous substance (as defined in 42 U.S.C. 9601, et seq.), or other prohibited materials (together "Hazardous Materials") are now located on the Mortgaged Property and that neither Mortgagor nor any other person has ever caused or permitted any Hazardous Materials to be placed, held, located or disposed of on, under or at the Mortgaged Property or any part thereof. No part of the Mortgaged Property has ever been used as a manufacturing, storage or dump site for Hazardous Materials, nor is any part of the Mortgaged Property affected by any Hazardous Materials ("Hazardous Materials Contamination"). To the best of the Mortgagor's knowledge and belief, no property adjoining the Mortgaged Property has ever been used as a manufacturing, storage or dump site for Hazardous Materials nor is any other property adjoining the Mortgage Property affected by Hazardous Materials Contamination.

90083115

UNOFFICIAL COPY

0 9 6 0 8 9 5

9.2 Mortgagor's Covenants. Mortgagor agrees to (a) give notice to the Mortgagee immediately upon Mortgagor's acquiring knowledge of the presence of any Hazardous Materials on the Mortgaged Property or of any Hazardous Materials Contamination with a full description thereof; (b) promptly comply with any governmental requirement requiring the removal, treatment or disposal of such Hazardous Materials or Hazardous Materials Contamination and provide the Mortgagee with satisfactory evidence of such compliance; and (c) provide the Mortgagee, within thirty (30) days after demand by the Mortgagee, with a bond, letter of credit or similar financial assurance evidencing to the Mortgagee's satisfaction that the necessary funds are available to pay the cost of removing, treating and disposing of such Hazardous Materials or Hazardous Materials Contamination and discharging any assessments which may be established on the Mortgaged Property as a result thereof.

9.3 Indemnification. Mortgagor shall defend, indemnify and hold harmless Mortgagee from any and all liabilities (including strict liability), actions, demands, penalties, losses, costs or expenses (including, without limitation reasonable attorneys' fees and remedial costs), suits, costs of any settlement or judgment and claims of any and every kind whatsoever which may now or in the future (whether before or after the release of this Deed of Trust) be paid, incurred or suffered by or asserted against, Mortgagee by any person or entity or governmental agency for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Mortgaged Property of any Hazardous Materials or any Hazardous Materials Contamination or which arise out of or result from the environmental condition of the Mortgaged Property or the applicability of any governmental requirement relating to Hazardous Materials, regardless of whether or not caused by or within the control of Mortgagee. The representations, covenants and warranties contained in this Article 9 shall survive the release of this Deed of Trust.

9.4 Mortgagee's Right to Remove Hazardous Materials. Mortgagee shall have the right but not the obligation, without in any way limiting Mortgagee's other rights and remedies under this Deed of Trust, to enter onto the Mortgaged Property or to take such other actions as it deems necessary or advisable to clean up, remove, resolve or minimize the impact of, or otherwise deal with, any Hazardous Materials or Hazardous Materials Contamination on the Mortgaged Property following receipt of any notice from any person or entity asserting the existence of any Hazardous Materials or Hazardous Materials Contamination pertaining to the Mortgaged Property. All reasonable costs and expenses paid or incurred by Mortgagee in the exercise of any such rights shall be secured by this Deed of Trust and shall be payable by Mortgagor to Mortgagee upon demand.

DATED AND DELIVERED by the Mortgagor as of the date first set forth above.

Haverford at Schaumburg Limited Partnership
an Illinois Limited Partnership

This Document Prepared By (and after recording should be returned to);
LOMAS MANAGEMENT, INC.
1301 WEST 22nd STREET SUITE 301
OAK BROOK, ILLINOIS 60521

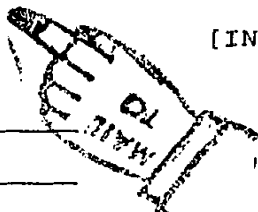
By: David R. Yon, Jr.
Name: David R. Yon, Jr.
Title: President

[INDIVIDUAL]

89608995

90683115

STATE OF _____
COUNTY OF _____



The foregoing instrument was acknowledged before me this _____ day of _____, 19____, by _____.

(Seal)

Notary Public in and for
the above County and State

My CommisisonExpires:

Print name of notary

UNOFFICIAL COPY
[CORPORATION]

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 19____, by _____, of _____, a corporation, on behalf of said corporation.

(SEAL)

Notary Public in and for the above County and State

My Commission Expires:

Print name of notary

[PARTNERSHIP]

STATE OF ILLINOIS

COUNTY OF COOK

The foregoing instrument was acknowledged before me this 6th day of DECEMBER (ADP), 1989, by DAVID K. HILL, JR., partner on behalf of DAVID K. HILL, JR. PARTNERSHIP a partnership.

(SEAL)

Maxine D. Parsons
Notary Public in and for the above County and State

My Commission Expires:

MAXINE D. PARSONS
Print name of notary

12-8-89

Mortgagee hereby joins in the execution of this Mortgage Deed solely for the purposes of securing the benefits of a security agreement under the provisions of the Illinois Uniform Commercial Code covering personal property and fixtures.

LOMAS MORTGAGE USA, INC.,
a Connecticut corporation

By: Ronald L. Cowan

Name: RONALD L. COWAN
Authorized Officer

89608995

STATE OF ILLINOIS

COUNTY OF COOK

The foregoing instrument was acknowledged before me this 1st day of December, 1989, by RONALD L. COWAN, Authorized Officer of LOMAS MORTGAGE USA, INC., a Connecticut corporation, on behalf of said corporation.

"OFFICIAL SEAL"
(SEAL) Cynthia Plant
Notary Public, State of Illinois
My Commission Expires 6/30/90

Cynthia Plant
Notary public in and for the above County and State

My Commission Expires:

CYNTHIA PLANT
Print name of notary

6/30/90

EXHIBIT A

TO MORTGAGE DEED, DATED December 6, 1989,
BETWEEN HAVERFORD AT SCHAUMBURG LIMITED PARTNERSHIP
AS BORROWER, AND LOMAS MORTGAGE USA, INC., AS LENDER

PROPERTY LEGAL DESCRIPTION

UNITS 35-1, 2, 3 AND 4 TOGETHER WITH ITS UNDIVIDED
PERCENTAGE INTEREST IN THE COMMON ELEMENTS IN THE HAVERFORD
AT SCHAUMBURG COLONY CONDOMINIUM, AS DELINEATED AND DEFINED
IN THE DECLARATION RECORDED AS DOCUMENT NUMBER 89-012751, AS
AMENDED FROM TIME TO TIME, LOCATED IN HAVERFORD AT
SCHAUMBURG BEING A SUBDIVISION IN THE WEST 1/2 OF THE
NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 41 NORTH, RANGE 10,
EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY,
ILLINOIS.

Property of Cook County Clerk's Office

89608995

90683115

UNOFFICIAL COPY

Property of Cook County Clerk's Office

90088115