

Box 333

90092893

Allan Goldberg
ARNSTEIN & LEHR
7500 Sears Tower
Chicago, IL 60606

THIS INSTRUMENT PREPARED BY,
AND AFTER RECORDING, PLEASE RETURN TO:

1.1(c) The persons who executed the original Notes as individuals are the same four (4) persons even though their names were stated more formally in the Promissory Note referred to in paragraph 1.1(b) above.

1.1(b) DENNIS R. EGIDI, MARIO R. EGIDI, KENNETH A. EGIDI, M. ROBERT EGIDI, C&E DEVELOPERS, AND THE EGIDI GROUP previously executed and delivered to Lender a certain Promissory Note dated May 25, 1983, in the principal amount of \$915,000.00 with interest thereon upon the certain conditions and at the rate as provided therein.

1.1(a) CONTRACTORS AND ENGINEERS, INC., MARIO EGIDI, DENNIS EGIDI, KENNETH EGIDI, AND ROBERT EGIDI previously executed and delivered to Lender a certain Demand Note dated December 9, 1980, in the principal amount of \$80,000.00 with interest thereon upon the certain conditions and at the rate as provided therein.

1.1 Description of the Transaction. Mortgagor and Guarantor acknowledge that a certain Demand Note and a certain Promissory Note were previously delivered to Lender and are in default (collectively the "original Notes"):

THIS JUNIOR MORTGAGE, (the "Mortgage"), dated February 6, 1990, from LA SALLE NATIONAL BANK, successor Trustee to Central National Bank in Chicago, as Trustee under Trust Agreement dated May 1, 1979 and known as Trust No. 10-23795-08 ("Mortgagor") to UNITED STATES TRUST COMPANY OF NEW YORK, a New York banking corporation ("Lender").

JUNIOR MORTGAGE

WP51•EGIDI•MORTGAGE
2-6-90 10:02AM

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1.2 Description of Note. Mortgagor has executed and delivered to lender an Amended and Restated Note (the "Note") in the principal amount of \$394,381.08. In the Note, Mortgagor promises to pay to the order of Lender the principal amount and interest thereon as stated in the Note. The Note amends, in part, and otherwise restates each of the Original Notes and is intended to reflect and ratify the unpaid balance of principal and accrued interest now due upon said Original Notes. The Original Notes are still valid and in effect notwithstanding the execution of the Amended and Restated Note.

1.3 Description of Other Lien Agreements. The payment of the Note is secured by this mortgage and by:

1.3(a) An assignment of leases and rents (the "Assignment") executed by Mortgagor;

1.3(b) A security agreement (the "Security Agreement") executed on May 25, 1983 pertaining to certain fees due one of the Guarantors;

1.3(c) A collateral assignment of the beneficial interest in Mortgagor.

Except as otherwise indicated, such other security instruments are of even date herewith and, together with any amendments, modifications and replacements thereof and any and all other instruments now or hereafter given to secure the payment of the Note, are collectively referred to herein as the "Other Lien Agreements".

1.4 Business Loan. To induce Lender to disburse the proceeds of the Note, in whole or in part, Mortgagor represents and covenants that the Loan is a business loan (as defined in Ill. Rev. Stat. ch. 74, § 4(1)(c), as amended, and as in effect at all times relevant to this Mortgage) and that all funds derived from the Loan will be used solely to further a commercial enterprise owned by Mortgagor or the present beneficiary of Mortgagor and operated on the Mortgaged Premises for the purpose of investment or profit.

1.5 Title to Mortgaged Premises. Mortgagor covenants that (i) Mortgagor is the holder of the fee simple title to the Mortgaged Premises free and clear of all liens and encumbrances other than encumbrances approved in writing by Lender at the time of the disbursement of the loan (the "Permitted Encumbrances"), (ii) Mortgagor has legal power and authority to mortgage and convey the Mortgaged Premises, and (iii) that this Mortgage creates a first and paramount lien on the Mortgaged Premises, subject only to the Permitted Encumbrances.

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II

Granting Clauses

To secure the payment of the Note and any and all renewals, extensions, modifications and replacements thereof and to assure performance of the agreements of Mortgagor and Guarantor contained herein and in the Note, the Prior Lien Agreements and the Other Lien Agreements, Mortgagor hereby conveys, mortgages, pledges and assigns to Lender and grants Lender a security interest in:

(a) That certain parcel of land (the "Land Parcel") commonly and legally described in Exhibit 1 attached hereto;

(b) All buildings, improvements and fixtures (collectively the "Improvements") now or hereafter located on the Land Parcel;

(c) All easements and tenements appurtenant to the Land Parcel and the Improvements;

(d) Mortgagor's right, title and interest in all oral and written leases with, or other agreements for use and occupancy made or agreed to by any person or entity pertaining to all or any part of the Land Parcel and Improvements, whether such leases have been heretofore or are hereafter made or agreed to and all rents, issues and profits of the Land Parcel and Improvements, the property described in this clause being hereby pledged primarily and on a parity with the Land Parcel and Improvements and not secondarily;

(e) To the extent now or hereafter located in or on the Land Parcel or in or on the Improvements, all apparatus, equipment, articles and fixtures (other than fixtures which are a part of the Improvements) used or to be used in or on the Land Parcel or in or on the Improvements to supply heat, gas, air conditioning, water, light, power, refrigeration, ventilation, transportation and storage, including (without restricting the foregoing) screens, window coverings, carpets, awnings, stoves, stokers, water heaters, disposals, gas and electric equipment, elevators, pumps, motors, dynamos, cabinets and shelving, plumbing, laundry, refrigerating and cooling equipment, heating and air conditioning units, refrigerators stoves and ovens, replacements of any such articles and all property owned by Mortgagor and used for similar purposes now or hereafter in or on the Land Parcel or in or on the Improvements except to the extent any of the foregoing is owned by any tenant of the Mortgaged Premises (all such apparatus, equipment, articles or fixtures

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being herein collectively referred to as "Apparatus"); and

(f) Mortgagor's right, title and interest in all other personal property now or hereafter located in or on the Land Parcel or in or on the Improvements (all such property being herein collectively referred to as "Personalty").

The foregoing property described in this Article II is collectively referred to in this Mortgage as the "Mortgaged Premises".

III

Covenants

3.1 Covenants During Mortgage Term. At all times until the lien of the Mortgage is released, Mortgagor shall:

3.1(a) Pay when due all sums accruing under this Mortgage or under the Note or both;

3.1(b) Keep the Mortgaged Premises and all components thereof in good and first class condition and repair, without waste;

3.1(c) Comply with all laws, ordinances, licenses and governmental rulings applicable to the Mortgaged Premises;

3.1(d) Not permit title to the Mortgaged Premises, any portion thereof or, except as provided in the Security Agreement, the Goods (as defined in the Security Agreement) to be transferred, conveyed or encumbered, voluntarily or involuntarily, directly or indirectly, without the prior written consent of Lender;

3.1(e) Not permit the beneficial interest in Mortgagor to be assigned or encumbered, voluntarily or involuntarily, directly or indirectly, without the prior written consent of Lender;

3.1(f) Not permit, without the prior written consent of Lender, any lien or encumbrance (including a junior lien or encumbrance) to attach to or remain on the Mortgaged Premises other than the Other Lien Agreements and the Permitted Encumbrances;

3.1(g) Not permit any lien superior to or on a parity with the lien hereof to attach to or remain on the Mortgaged Premises or the Goods;

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3.1(h) Not permit any leases to be made of any portion or all of the Mortgaged Premises without the prior written consent of Lender as to the form and content of each such lease (which approval, with such conditions as may be imposed by Lender, may be made as to the form and content of a standard lease to be used for all leases or portions of the Mortgaged Premises) and following such approval not modify, surrender or terminate or grant concessions with respect to any such lease without the prior written consent of Lender;

3.1(i) Not enter into any management contract, lease, sublease, license, concession or the like pertaining to the operation and management of the Mortgaged Premises without the prior written consent of Lender as to the form and content of any such management contract or lease, which consent shall not be unreasonably withheld and following such approval, not modify, amend, default under, surrender, terminate, cancel, assign or grant concessions with respect to any such management contract or lease without the prior written consent of Lender, which consent shall not be unreasonably withheld;

3.1(j) Maintain full title to any and all fixtures, the Apparatus and Personalty and not permit any fixtures, the Apparatus or Personalty to be sold, transferred, conveyed, leased, subleased, encumbered or alienated in any way or removed from the Mortgaged Premises without the prior written consent of Lender, provided that Mortgagor shall have the right to replace fixtures, the Apparatus, the Personalty and the Tangible Goods (as defined in the Security Agreement) with similar items if (i) such replacements have value and utility equivalent or superior to that existing when the lien hereof first attached thereto, and (ii) Lender obtains a first and paramount lien on or security interest in such replacement;

3.1(k) Execute or cause to be executed and deliver or cause to be delivered to Lender on reasonable notice any further title commitments, title policies, later dated title policy endorsements, security agreements, financing statements, other agreements and assurances of title deemed necessary by Lender to effectuate and evidence a first lien on and a validly perfected paramount security interest in the Mortgaged Premises and the Tangible Goods subject only to the Permitted Encumbrances;

3.1(l) Not permit any structural alterations of or improvements to the Mortgaged Premises to be made without the prior written consent of Lender;

3.1(m) Permit Lender and its agents to have access to the Mortgaged Premises at all reasonable times;

3.1(n) Cause to be performed in a complete and timely manner all obligations of the lessor under any and all leases of

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all or portions of the Mortgaged Premises;

3.1(o) In the event of loss or damage to the Mortgaged Premises, promptly remedy such loss or repair such damage;

3.1(p) Cause the Mortgaged Premises to be managed at all times in accordance with sound business practices;

3.1(q) Deliver to Lender within 90 days following each fiscal year income and expense statements and balance sheets prepared and certified by Guarantor pertaining to the operation of the Mortgaged Premises during such fiscal year and the financial condition of Mortgagor, Guarantor and the Mortgaged Premises at the end of such fiscal year, in form reasonably satisfactory to Lender and in sufficient detail to give Lender a clear understanding of all income producing activities conducted by Mortgagor and Guarantor pertaining to the Mortgaged Premises;

3.1(r) Provide Lender with such information concerning Guarantor, the Mortgaged Premises and the operation of the Mortgaged Premises as is reasonably required by Lender and provide Lender and its agents with reasonable access to Guarantor's and its agents' books and records pertaining to the operation of the Mortgaged Premises.

3.2 Insurance. Until the Loan is repaid in full, including interest thereon, Mortgagor will maintain continuously in force policies of insurance in form and amount and with responsible companies, associations or organizations satisfactory to Lender.

3.2(a) Without limiting the generality of the foregoing, Mortgagor will carry the following types and amounts of insurance UNLESS Lender has made an exception in writing:

(i) Casualty insurance on an "All Risks" form covering all buildings, structures, furnishings, fixtures, machinery, equipment and other personal property pledged as collateral for the Loan. The amount of such casualty insurance shall be the amount of the mortgage balance or 80% of the full insurable replacement cost of the improvements whichever is the greater amount with Lender named as mortgagee under a standard form mortgage clause in each policy;

(ii) Rents or Earnings insurance on an "All Risks" form in an amount sufficient to fully cover loss resulting from a six (6) month termination of income from the Mortgaged Premises or prevention of occupancy due to damage or destruction of the Mortgaged Premises. Such coverage shall also be carried in connection with the Boiler and Machinery insurance;

(iii) Public Liability insurance covering claims

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for bodily injury and property damage to others arising out of the ownership, maintenance or use of the Mortgaged Premises and any operations thereon, including work performed by independent contractors. The amount of such liability insurance shall not be less than \$300,000 for bodily injury and \$100,000 for property damage, or \$300,000 on a combined single limit basis. Lender shall be covered as an Additional Insured for its interest as Lender in such policy;

(iv) Flood insurance shall be carried on all eligible improvements which are located in an area identified by the Secretary of Housing and Urban Development as having special flood hazards. Such insurance shall be in the form of a standard policy issued in connection with the National Flood Insurance Program with Lender named as mortgagee for (A) the full insurable value of the Mortgaged Premises, (B) the amount of the Loan, or (C) the full amount of flood insurance available under the Federal Flood Program whichever is the lesser amount. If flood insurance is not carried, Lender shall be provided with satisfactory evidence, which may be a letter from an agent for the National Flood program, that the improvements are not located in a special flood hazard area;

(v) Workmen's compensation insurance; and

(vi) Such other insurance as Lender may reasonably require.

3.2(b) Mortgagor shall provide from time to time at the written request of Lender, but not more than annually, satisfactory evidence of the insurable value of the Mortgaged Premises. Such evidence may be in the form of an insurance appraisal or valuation report prepared by an insurance company, insurance agent or broker, professional appraiser, architect, engineer or contractor, in each case approved by Lender. The cost, if any, of such insurance appraisal or valuation report shall be borne by Mortgagor.

3.2(c) Mortgagor agrees to deliver satisfactory evidence of insurance to Lender. Such evidence shall be the original policies or, at Lender's option, copies of such policies with all forms and endorsements attached. Lender may at its option retain such evidence of insurance until the Loan is fully repaid. If Lender retains the insurance policies, Mortgagor shall also give Lender all endorsements, replacement policies and renewals thereof. All insurance policies shall contain an endorsement which provides that the insurance company will give Lender at least ten (10) days prior written notice of cancellation, reduction in coverage or non-renewal affecting Lender's interest.

3.2(d) Additional insurance may be required from time

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to time in those cases where the secured property is exposed to hazards and risks with respect to which the existing insurance is inadequate to properly protect the interest of Lender.

3.2(e) Mortgagor agrees that Lender may procure property, liability or other forms of insurance in the event Mortgagor (i) fails to do so upon notice from Lender or (ii) any insurance required by Lender is cancelled, reduced or non-renewed. The cost thereof shall be additional indebtedness secured by this Mortgage.

3.2(f) The insurance coverages required by Lender are minimums and should be increased as Mortgagor deems prudent. Lender shall not be liable for the inadequacy or uncollectibility of any insurance or the insolvency of any insurer.

3.2(g) In case of loss or damage to any Improvements located on the Land Parcel, the proceeds of claims under casualty policies pertaining to such Improvements shall be paid to Lender for application at the option of Lender, either (i) to the indebtedness secured hereby (in the inverse order of maturity) with the balance of such proceeds, if any, paid to Mortgagor, or (ii) to the restoration of such Improvements on such conditions and subject to such controls as Lender may impose in its absolute discretion, with the balance of such proceeds, if any, applied (in the inverse order of maturity) against the indebtedness secured hereby. Lender is hereby authorized (but not obligated) to act as attorney-in-fact for Mortgagor in obtaining, adjusting, settling and cancelling all insurance on the Mortgaged Premises and in endorsing any checks or drafts drawn direct. Notwithstanding any other provision of this Mortgage or the Note, no application of insurance proceeds to the indebtedness shall have the effect of curing any Default (as defined herein) or extending the time for making any payment due hereunder or under the Note. Lender shall not be held responsible for failure to collect any insurance proceeds due under the terms of any policy provided for herein regardless of the cause of such failure.

3.3 Real Estate Taxes. Mortgagor shall pay before the due date thereof and before any penalty or interest accrues all such taxes, assessments and other charges and deliver to Lender at least ten days prior to the due date of such taxes, assessments and other charges receipts evidencing payment thereof. If any law is enacted deducting mortgage liens from the value of Illinois land for the purpose of real estate taxation or requiring mortgagees to pay a portion of real estate taxes, or pay any tax levied in substitution (in whole or in part) therefor, which has the practical effect of requiring Lender to pay any real estate taxes or the equivalent thereof in respect of the Mortgaged Premises, or if there occurs a change in the taxation of mortgages so as to require the Lender to pay a tax by reason of its ownership of the Mortgage, then unless Mortgagor pays any

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such tax before the due date thereof or reimburses Lender for any payment it may make within 30 days following written request therefor from Lender, a Default as defined herein shall have occurred.

3.4 Eminent Domain. In the event of the taking by eminent domain proceedings or the like of any part or all of the Mortgaged Premises by any federal, state, municipal or other governmental authority or agency thereof, all awards or other compensation for such taking shall be paid to Lender for application (in inverse order of maturity) on the indebtedness secured hereby, provided that no such application shall result in a prepayment premium or have the effect of curing any Default or extending the time for making any payment due hereunder or under the Note.

3.5 Advances.

3.5(a) In the event Mortgagor fails to perform any act required of it by this Mortgage, the Note or the Other Lien Agreements or to pay when due any amount required to be paid by this Mortgage, the Note or the Other Lien Agreements, Lender may make such payment or perform such act. Such payment or performance by Lender shall not have the effect of curing any Default. All moneys so advanced by Lender together with all expenses incurred in connection therewith shall be deemed advances ("Advances") under this Mortgage. Advances shall be immediately due and payable and shall be added to the principal amount of the Note. Advances shall bear interest from the date expended at the default rate specified in the Note and shall be secured by this Mortgage and the Other Lien Agreements as though originally a part of the note.

3.5(b) Mortgagor recognizes that, during the term of the Mortgage, Lender:

(i) May be involved in court or administrative proceedings, including, without restricting the foregoing, foreclosure, probate, bankruptcy, creditors' arrangements, insolvency, housing authority and pollution control proceedings of any kind, to which Lender shall be a party by reason of this Mortgage, the Note or the Other Lien Agreements or in which this Mortgage, the Note or the Other Lien Agreements or the Mortgaged Premises are involved directly or indirectly; or

(ii) May make preparations for the commencement of any suit for the foreclosure hereof, which may or may not be actually commenced; or

(iii) May make preparations for and do work in connection with Lender's taking possession of and managing the Mortgaged Premises, which event may or may not actually occur; or

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(iv) May make preparation for and commence other private or public actions to remedy a Default, which other actions may or may not be actually commenced; or

(v) May enter into negotiations with Mortgagor or Guarantor or agents of Mortgagor or Guarantor in connection with the existence of or cure of any Default, the sale of the Mortgaged Premises, the assumption of liability for any of the indebtedness represented by the Note or the transfer of the Mortgaged Premises in lieu of foreclosure; or

(vi) May enter into negotiations with Mortgagor or Guarantor or agents of Mortgagor or Guarantor pertaining to Lender's approval of actions taken or proposed to be taken by the Mortgagor or its agents which approval is required by the terms of this Mortgage.

All reasonable expenditures (which may be estimated as to items to be expended after decree) made by Lender in connection with any of the foregoing, including attorneys', trustees' and appraisers' fees and expenses, cost of documentary and expert evidence, stenographers' charges, expenses of procuring title examinations, policies and certificates, court costs, and all other like and unlike costs which Lender deems to be reasonably necessary, shall be deemed to be Advances and shall be treated as such.

3.5(c) If Lender has control of the rents or the net rents from the Mortgaged Premises at any time, it may reimburse itself for previous or contemporaneous Advances plus interest thereon out of such rents or net rents.

3.5(d) Lender, in making any payment authorized in this Article III of taxes, assessments or other like charges involving the Mortgaged Premises, may do so according to any bill or estimate issued from the appropriate public office without inquiry into the accuracy of such bill or estimate or into the validity of any tax, assessment, sale or forfeiture.

3.6 Hazardous Waste and Substances: Environmental Requirements.

3.6(a) Mortgagor hereby covenants with and warrants and represents to Lender that neither Mortgagor nor, to the best knowledge of Mortgagor, any other person has ever caused or permitted any "Hazardous Material" (as hereinafter defined) to be placed, held, located, or disposed of on, under or at the Premises or any part thereof or into the atmosphere or any watercourse, body of water or wetlands, or any other real property adjacent to or in the vicinity of the Premises, and neither the Premises nor any part thereof, nor any other real

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property legally or beneficially owned (or any interest or estate in which is owned) by Mortgagor (including, without limitation, any property owned by a land trust the beneficial interest in which is owned, in whole or in part, by Mortgagor) has ever been used (whether by Mortgagor or, to the best knowledge of Mortgagor, by any other person) as a site for treatment, storage, or disposal (whether permanent or temporary) of any Hazardous Material.

3.6(b) Mortgagor hereby indemnifies Lender and agrees to hold Lender harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses, and claims of any and every kind whatsoever (including, without limitation, court costs and attorneys' fees) which at any time or from time to time may be paid, incurred, or suffered by, or asserted against, Lender 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 or release from, the Premises into and upon any land, the atmosphere, or any watercourse, body of water or wetland, of any Hazardous Material as hereinafter defined (including, without limitation, any losses, liabilities, damages, injuries, costs, expenses, or claims asserted or arising under the Hazardous Materials Statutes as hereinafter defined); and the provisions of and undertakings and indemnification set out in this sentence shall survive the satisfaction and release of this Mortgage and the payment and satisfaction of the Indebtedness Hereby Secured and shall continue to be the personal liability, obligation, and indemnification of Mortgagor binding upon Mortgagor forever. The provisions of the preceding sentence shall govern and control over any inconsistent provision of the Note and this Mortgage including, without limitation, any non-recourse provision contained herein or any of the foregoing agreements (provided that nothing contained herein shall be construed as creating any personal liability on the part of a land trustee holding title to the Premises). As used herein, "Hazardous Material" means and includes any hazardous substance or any pollutant or contaminant defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation and Liability Act, any so-called "Superfund" or "Superlien" law, the Toxic Substances Control Act, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect (collectively, the "Hazardous Materials Statutes"), or any other hazardous, toxic, or dangerous waste, substance, or material.

Mortgagor's failure to pay all losses, costs, damages, claims, and expenses incurred by Mortgagee on account of Mortgagor's failure to perform the obligations of this subparagraph shall be a default under the Loan Documents.

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3.7 Prior Mortgages. This Mortgage is subordinate to that certain:

3.7(a) Trust Deed dated June 8, 1979, and recorded June 12, 1979, as Document No. 25000647 by and between Central National Bank in Chicago as Trustee under Trust Number 23795 to Chicago Title and Trust Company to secure a note for \$500,000.00.

3.7(b) Mortgage dated April 1, 1983, and recorded April 20, 1989, as Document No. 26575628 by and between Mortgagor to CEAS Mortgage Company to secure a note for \$2,548,200.00.

3.7(c) Trust Deed dated July 22, 1988, and recorded December 30, 1988, as Document No. 88602160 by and between Mortgagor and Brydges, Riseborough, Morris, Franke and Miller to secure a note for \$79,467.81.

3.8 Option Agreement. The Land Parcel and Improvements securing this Mortgage are the subject of a certain Option Agreement dated April 25, 1988, executed by the Mortgagor and Sheridan Plaza Associates, an Illinois Limited Partnership, as Optionor, and by Commonwealth Land Title Insurance Company ("CLTIC"), as Optionee. The lien of this Mortgage and the Assignment is junior and inferior to the Option and the rights of the Optionee thereunder. Mortgagor and the Lender agree that if a default is made in paying the Note or in the Mortgage, that, notwithstanding such defaults, the Option shall be and remain senior and superior to the lien of this Mortgage, the Assignment, and the Note secured thereby. Under no circumstances shall the Optionee be obligated to pay the Note secured by this Mortgage or take title to the Land Parcel and Improvements subject to this Mortgage or the Assignment. Mortgagor and Lender agree that if CLTIC exercises its option to purchase the Land Parcel and Improvements securing this Mortgage and the Assignment, that this Mortgage and the Assignment will then be deemed null and void and of no further effect as against CLTIC. If any of the foregoing shall occur, the Lender and the holder of the Note secured by this Mortgage shall, upon demand of the Optionee, release this Mortgage and the Assignment and execute such other documents as may be reasonably requested by Optionee.

IV

Defaults and Remedies

4.1 Defaults. Each of the following events shall

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constitute a default ("Default") under this Mortgage:

4.1(a) The failure by Mortgagor, or Guarantor to perform in a full and timely manner any of Mortgagor's or Guarantor's obligations under this Mortgage, the Note, or the Other Lien Agreements, the untruth of any warranty or representation made herein, in any of the Other Lien Agreements, or any affidavit executed in connection with the Loan by Guarantor or the breach of any of Mortgagor's covenants contained herein;

4.1(b) The occurrence of any Default (as defined therein) under any of the Other Lien Agreements;

4.1(c) An uninsured loss, damage, destruction or taking by eminent domain or other condemnation proceedings of any substantial portion of the Mortgaged Premises or of any part of the Mortgaged Premises which materially impairs any of the intended uses of the Mortgaged Premises;

4.1(d) The seizure, distraint or attachment of a levy upon all or any part of the Mortgaged Premises;

4.1(e) The appointment of a receiver, trustee or conservator of Mortgagor or Guarantor, all or any part of the Mortgaged Premises or Mortgagor's or Guarantor's business pertaining to the operation of the Mortgaged Premises;

4.1(f) The occurrence of any of the following events:

(i) An admission in writing by Mortgagor or Guarantor to inability to pay debts as they become due;

(ii) The institution by Mortgagor or Guarantor of bankruptcy, reorganization, insolvency or arrangement proceedings of any kind under federal bankruptcy statutes or any similar law (state or federal) now or hereafter existing;

(iii) The institution against Mortgagor or Guarantor of bankruptcy, reorganization, insolvency or arrangement proceedings of any kind under federal bankruptcy statutes or any similar law (state or federal) now or hereafter existing which proceedings are not dismissed within 60 days of filing;

(iv) The making of a general assignment for the benefit of creditors by Mortgagor, or Guarantor;

(v) The declaration by any court, government or governmental agency of the bankruptcy or insolvency of Mortgagor or Guarantor;

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(vi) The entry of a final judgment against Mortgagor or Guarantor for \$1,000.00 or more which is not satisfied within 30 days of the date on which such judgment shall have become final and all stays of execution pending appeal or otherwise shall have expired; or

(vii) The issuance of a writ or warrant of attachment or any similar process against Mortgagor, or Guarantor or all or a major part of the Mortgaged Premises which is not stayed within 60 days of issuance or the lapse of any such stay.

4.1(g) The sale or transfer of any legal or equitable interest in or right to possession of the Mortgage Premises without the prior written consent of the Lender.

4.1(h) A default under any of the prior mortgages, and the notes secured thereby, referred to in paragraph 3.7 above.

4.2 Foreclosure.

4.2(a) The happening of any Default under this Mortgage shall give Lender the following rights of foreclosure:

(i) If the Default is a default in the payment of any amount under the Note, this Mortgage or the Other Lien Agreements, and if such Default shall continue for ten days, Lender may declare, without notice to or demand upon the Mortgagor or any other party, all indebtedness under the Note, including Advances, to be immediately due and payable or foreclose the Mortgage and exercise any rights and remedies available to Lender under the Uniform Commercial Code of New York or both accelerate such indebtedness and foreclose the Mortgage and exercise such rights and remedies; and

(ii) If the Default is not a default in the payment of any such amount, and if Lender gives Mortgagor notice of such Default which notice shall provide that such Default be cured within thirty days, and if such default is not cured within such thirty-day period, Lender may declare, without further notice or demand, all indebtedness under the Note including Advances, to be immediately due and payable or foreclose the Mortgage and exercise any rights and remedies available to Lender under the Uniform Commercial Code of New York or both accelerate such indebtedness and foreclose the Mortgage and exercise such rights and remedies.

4.2(b) Either before or after the foreclosure sale, a receiver may be appointed by the court without notice, without regard to the solvency or insolvency of Mortgagor, or its beneficiaries, the then value of the Mortgaged Premises or whether they are then occupied as a homestead. The receiver shall have the power to collect the rents and income from the Mortgaged

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Premises during the pendency of the foreclosure suit and, in the case of a sale and deficiency, during the full statutory period of redemption (if any), whether there be a redemption or not. The receiver shall have the other powers for the protection, possession, management and operation of the Mortgaged Premises which an absolute owner would have, but the net rents in the hands of the receiver shall be applied to debt hereby secured or to such expenses of the receivership or foreclosure suit as the court may direct.

4.2(c) The proceeds of any foreclosure sale of the Mortgaged Premises shall be distributed and applied in the following order of priority:

(i) Costs and expenses of the foreclosure proceeding;

(ii) Advances and any and all other obligations outstanding under any or all of the Other Lien Agreements, all unpaid principal of the Note, all accrued and unpaid interest on the Note and all prepayment premiums, in that order, unless the Lender, prior to the expiration of 60 days following the foreclosure sale, shall elect otherwise in a notice given to Mortgagor, and if Lender shall so elect, then in any order as Lender may specify in such notice; and

(iii) The balance (if any) to discharge junior liens if the court so directs, and otherwise to Mortgagor.

4.3 Mortgagee in Possession.

4.3(a) In the event of any Default under this Mortgage, irrespective of whether the right to foreclose the Mortgage has accrued to Lender, whether the entire debt has then been accelerated or whether foreclosure proceedings have been commenced, Lender may, without notice to or demand upon Mortgagor, take possession of the Mortgaged Premises. While in possession of the Mortgaged Premises, Lender shall have the following powers:

(i) To collect the rents and manage, lease, alter and repair the Mortgaged Premises, cancel or modify existing leases, obtain insurance and in general have all powers and rights customarily incident to absolute ownership; and

(ii) To pay out of the rents so collected the management and repair charges, taxes, insurance, commissions, fees and all other expenses and, after creating reasonable reserves, apply the balance (if any) on account of the indebtedness secured hereby.

4.3(b) Lender may remain in possession of the

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Mortgaged Premises, in the event of a foreclosure, until the foreclosure sale and thereafter during the entire period of redemption (if any), if a deficiency exists. Lender shall incur no liability for, nor shall Mortgagor assert any claim or set-off as a result of, any action taken while Lender is in possession of the Mortgaged Premises, except only for Lender's own gross negligence or willful misconduct. In the event no foreclosure proceedings are commenced, Lender may remain in possession as long as there exists a Default.

4.4 Nature of Remedies. No delay or omission on the part of Lender in the exercise of any remedy for a Default shall operate as a waiver thereof. The remedies available to Lender under this Mortgage shall be exercisable in any combination whatsoever and shall be in addition to, and exercisable in any combination with, any and all remedies available by operation of law and under the Note and any of the Other Lien Agreements.

4.5 Waiver of Redemption. Mortgagor hereby waives all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on its own behalf and on behalf of each and every person, except decree or judgment creditors of Mortgagor who may acquire any interest in or title to the Mortgaged Premises subsequent to the date hereof.

Miscellaneous

5.1 Modification of Loan Term. If the time of payment of all indebtedness secured hereby or any part thereof be extended at any time or times, if the Note be renewed, modified or replaced, or if any security for the Note be released, Mortgagor and any other parties now or hereafter liable therefor or interested in the Mortgaged Premises shall be held to consent to such extensions, renewals, modifications, replacements and releases, and their liability and the lien hereof and of the Other Lien Agreements not so released and the rights created hereby and thereby shall continue in full force, the right of recourse against all such parties being reserved by Lender.

5.2 Successors and Assigns. This Mortgage shall inure to the benefit of and be binding upon the successors, legal representatives and assigns of the Mortgagor and Lender and all persons and entities (including owners and lessees) which may hereafter obtain any interest in the Mortgaged Premises, provided that this Section 5.2 shall not be construed to permit a transfer, conveyance, assignment or lease otherwise prohibited by this Mortgage.

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5.3 Notices. Whenever Lender or Mortgagor desires to give any notice to the other it shall be sufficient for all purposes if such notice is personally delivered or sent by certified United States mail, postage prepaid, addressed to the intended recipient at the last address theretofore specified by the addressee in a written notice given to the sender. In case no other address has been so specified, notices hereunder shall be delivered or mailed to the following addresses:

Lender: United States Trust Company of New York
c/o Martin Feely, Vice President
114 West 47th Street
New York, NY 10036-1532

Copy to: Allan Goldberg, Esquire
Arnstein & Lehr
7500 Sears Tower
Chicago, IL 60606

Mortgagor: LaSalle National Bank, successor Trustee
to Central National Bank, Trustee under
Trust Agreement dated May 1, 1979, and
known as Trust No. 10-23795-08
135 South LaSalle Street
Chicago, IL 60603

Copy to: Thomas A. Morris, Jr., Esquire
Brydges, Riseborough, Morris, Frank
and Miller
150 North Michigan Avenue
28th Floor
Chicago, IL 60601

The Egidi Group
800 South Milwaukee Avenue
Suite 180
Libertyville, IL 60048

Any notice given in the manner specified herein shall be deemed to have been given on the day it is personally delivered or three business days after it is deposited in the United States mail.

5.4 Execution and Delivery. This Mortgage is executed and delivered in Chicago, Illinois.

5.5 Governing Law. This Mortgage shall be governed by and construed in accordance with the law of the State of New York. Mortgagor hereby waives any right to trial by jury in any legal proceeding related in any way to this Mortgage and agrees that any such proceeding may, if the holder so elects, be brought and enforced in the Supreme Court of the State of New York for

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New York County or in the United States District Court for the Southern District of New York, and Mortgagor hereby waives any objection to jurisdiction or venue in any such proceeding commenced in such court. Mortgagor further agrees that any process required to be served on it for purposes of any such proceeding may be served on it, with the same effect as personal service on it within the State of New York, by registered mail addressed to it at its address for purposes of notices as provided in this Mortgage.

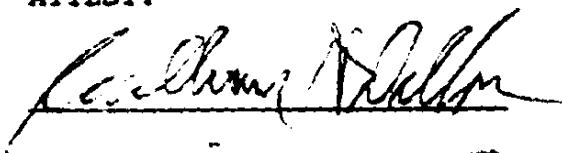
5.6 Severability. If any term, restriction or covenant of this instrument is deemed illegal or unenforceable, all other terms, restrictions and covenants and the application thereof to all persons and circumstances subject hereto shall remain unaffected to the extent permitted by law, and if any application of any term, restriction or covenant to any person or circumstance is deemed illegal or unenforceable, the application of such term, restriction or covenant to other persons and circumstances shall remain unaffected to the extent permitted by law.

5.7 Mortgagor's Exculpatory Clause. Mortgagor is a party to this instrument solely as trustee under a Trust Agreement dated May 1, 1979 and known as Trust No. 10-23795-08, and not in its individual capacity. Insofar as the liability of Mortgagor is concerned, this instrument is enforceable only against, and any claims hereon are payable only out of, any trust property which may be held thereunder. Any and all personal liability of Mortgagor hereunder is hereby expressly waived by the parties and their respective successors and assigns.

MORTGAGOR:

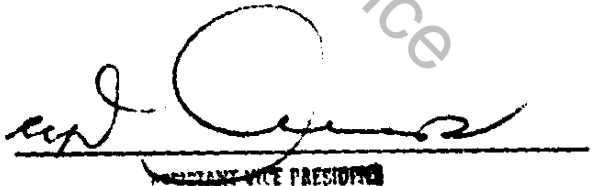
LA SALLE NATIONAL BANK, successor Trustee to Central National Bank in Chicago, as Trustee under Trust Agreement dated May 1, 1979, and known as Trust No. 10-23795-08, and not in its individual capacity

ATTEST:



ASSISTANT SECRETARY

By



ASSISTANT VICE PRESIDENT

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ACKNOWLEDGMENT

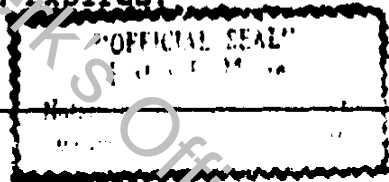
STATE OF ILLINOIS)
)
COUNTY OF C O O K)

I, Evelyn F. Moore, a Notary Public
in and for and residing in said County and State, DO HEREBY
CERTIFY THAT Gerinne Lee and Malinda ...
and ... of LaSalle
National Bank, personally known to me to be the same persons
whose names are subscribed to the foregoing instrument as such
before me this day in person and acknowledged that they signed
and delivered said instrument as their own free and voluntary
acts and as the free and voluntary act of said bank for the uses
and purposes therein set forth; and the said
acknowledged that ..., as custodian of the corporate seal of
said bank, did affix said corporate seal to said instrument as
... own free and voluntary act and as the free and voluntary
act of said bank for said uses and purposes.

GIVEN under my hand and notarial seal this 21 day of
February, 1982

Evelyn F. Moore
Notary Public

My Commission Expires:



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EXHIBIT 1

Legal Description of Mortgaged Premises

Common Address: 4607 North Sheridan Road
Chicago, Illinois

LOTS 1 AND 2 (EXCEPT FROM EACH OF SAID LOTS THE WEST 7 FEET THEREOF TAKEN FOR WIDENING OF SHEFFIELD AVENUE) AND ALL OF LOTS 3 AND 4 IN EDDY'S SUBDIVISION OF THE SOUTH 10 RODS OF THE NORTH 80 RODS OF THE EAST 1/2 OF THE NORTH EAST 1/4 OF SECTION 17 (EXCEPT THE NORTH 8 FEET THEREOF) TOGETHER WITH THAT PART OF SECTION 16, LYING EAST OF AND ADJOINING SAID 10 RODS, ALL IN TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index No. 14-17-214-009-0000

Precinct of Cook County Clerk's Office