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MORTGAGE, SECURITY AGREEMENT
AND FINANCING STATEMENT

BORROWER: AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, but as Trustee under Trustee under Trust Agreement dated December 15, 1988, and known as Trust Number 107164-05.

LENDER: MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, a Massachusetts corporation

. DEPT-01 RECORDING \$56.00
. T#9999 TRAN 0358 03/29/90 11:15:00
. 40484 # G *-90-139470
. COOK COUNTY RECORDER

THIS INSTRUMENT IS EFFECTIVE AND SHALL REMAIN EFFECTIVE AS A FINANCING STATEMENT FILED AS A FIXTURE FILING WITH RESPECT TO ALL GOODS WHICH ARE OR ARE TO BECOME FIXTURES ON THE REAL ESTATE HEREIN DESCRIBED AND IS TO BE FILED FOR RECORD, INDEXED OR REGISTERED IN THE REAL ESTATE RECORDS IN THE STATE OF ILLINOIS, AS MORE PARTICULARLY SET FORTH ON EXHIBIT A HERETO. THE MAILING ADDRESS OF LENDER AND THE ADDRESS OF BORROWER ARE SET FORTH WITHIN. A PHOTOGRAPHIC OR OTHER REPRODUCTION OF THIS INSTRUMENT OR ANY FINANCING STATEMENT RELATING TO THIS INSTRUMENT SHALL BE SUFFICIENT AS A FINANCING STATEMENT.

This instrument was prepared by (and return after recording to):

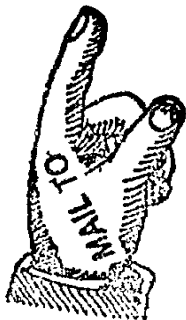
James A. Winkler, Esquire
Foley & Lardner
Three First National Plaza
Suite 4950
Chicago, Illinois 60602

Street Addresses of Property:

699 Wheeling Road,
Mount Prospect, Illinois
900 Bierman Court
Mount Prospect, Illinois
799 Bierman Court
Mount Prospect, Illinois
900 North Business Center Drive
Mount Prospect, Illinois

Property Tax Index Nos.:

03-35-104-040
03-35-104-005
03-35-104-007
03-35-104-006



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MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

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MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

THIS MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT (this "Mortgage") is made as of the 20th day of March, 1990, by and between AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, not personally but as Trustee under Trust Agreement dated December 15, 1988 and known as Trust Number 107164-05 ("Borrower"), whose mailing address is 33 North LaSalle Street, Chicago, Illinois 60602 and MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, a Massachusetts corporation ("Lender"), having its principal office and place of business at 1295 State Street, Springfield, Massachusetts 01111,

W I T N E S S E T H:

A. Borrower and Beneficiary (as hereafter defined) have executed and delivered to Lender a Promissory Note in the principal amount of SIXTEEN MILLION, EIGHT HUNDRED THOUSAND AND 00/100 DOLLARS (\$16,800,000.00) (which Promissory Note, together with all notes issued and accepted in substitution or exchange therefor, as any of the foregoing may be modified or extended, is called the "Note"). The Note provides, among other things, for interest to accrue and to be paid at the rate of eight and seven-eighths percent (8-7/8%) per annum and for final payment of principal and interest, if not earlier paid or payable as provided therein, to be due on April 1, 1996 (the "Maturity Date"); provided, however, that the aforesaid interest rate may be modified for the period beginning April 1, 1993 and if not so modified the Maturity Date may be accelerated to May 1, 1993. The Note by this reference is incorporated herein and made a part hereof. The Note, this Mortgage and any other documents or instruments now or hereafter evidencing, governing or securing the loan evidenced by the Note are collectively referred to as the "Loan Documents".

B. Lender desires to secure the prompt payment of (a) principal, interest, late charges and prepayment fees as provided in the Note, (b) any other sums, with interest thereon, hereafter loaned to Borrower by Lender, and (c) any additional indebtedness accruing to Lender on account of any future payments, advances or expenditures made by Lender pursuant to the Note, this Mortgage or any other Loan Document (collectively, the "Indebtedness"); and (ii) the due, prompt and complete performance of each and every covenant, condition and agreement contained herein and in the other Loan Documents (the "Obligations").

NOW, THEREFORE, to secure payment of the Indebtedness and the performance of the Obligations, and for good and valuable consideration in hand paid, the receipt and sufficiency of which are hereby acknowledged, Borrower agrees and covenants that:

1. GRANTING CLAUSES.

Borrower hereby irrevocably and absolutely grants, conveys and confirms, mortgages, transfers, assigns, bargains, and sells to Lender, its successors and assigns, forever, with all powers of sale, if any, and right of possession, and statutory rights under the laws of the State of Illinois, all of Borrower's present and hereafter acquired estate, right, title and interest in, to and under, and grants to Lender a continuing security interest in, the following (collectively, the "Mortgaged Premises"):

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(a) The real property (the "Land") described in Exhibit A attached hereto, together with all buildings, structures, fixtures and improvements now or hereafter erected thereon (collectively, the "Improvements");

(b) All and singular the easements, rights-of-way, licenses, permits, rights of use or occupancy, privileges, tenements, hereditaments and appurtenances and other rights and privileges now or hereafter belonging or in any way appertaining to the Land and/or Improvements, and all the rents, issues and profits therefrom;

(c) All right, title and interest, if any, of Borrower, in and to the land lying within any street, alley, avenue, roadway or right-of-way, open, proposed or hereafter vacated in front of or adjoining the Land, and all right, title and interest of Borrower in and to (1) any strips and gores adjoining the Land, (2) the air space above the Land, and (3) all minerals, water and other commercially usable materials on, underlying or appurtenant to the Land;

(d) All machinery, apparatus, equipment, goods, systems, building materials, carpeting, furnishings, fixtures and property of every kind and nature whatsoever, now or hereafter located in or upon or affixed to the Land and/or Improvements, or any part thereof, or used or usable in connection with any construction on or any present or future operation of the Land and/or Improvements, now owned or hereafter acquired by Borrower (collectively, the "Equipment"), including, but without limiting the generality of the foregoing all items described in Exhibit B attached hereto;

(e) Any and all awards, payments or insurance proceeds, including interest thereon, and the right to receive the same, which may be paid or payable with respect to the Land, Improvements and/or Equipment as a result of (1) eminent domain or purchase in lieu thereof (a "Taking"), (2) the alteration of street grade, or (3) any fire, casualty, accident, damage or other injury to or decrease in the value of the Land, Improvements and/or Equipment, to the extent of all amounts which may be secured by this Mortgage, and of the reasonable counsel fees, costs and disbursements incurred by Lender in collecting such award or payment;

(f) All rents, income, issues, profits, royalties and revenues derived from or relating to all or part of the Land, Improvements and/or Equipment or other property and interests subject to this Mortgage, and all rights, now or hereafter existing, of Borrower under, pursuant to or in connection with any and all existing and future leases or other agreements affecting all or part of the Land, Improvements, Equipment and/or other property or interests subject to this Mortgage; and

(g) Any and all real estate and other property, now or hereafter owned by Borrower, which, for the purposes hereof, may be conveyed, mortgaged, pledged, assigned, or transferred to Lender as security for payment of the Indebtedness or performance of the obligations.

All references herein or in any other Loan Document to the Mortgaged Premises shall include the whole or any portion thereof and any interest therein.

TO HAVE AND TO HOLD all of the foregoing, with all rights, privileges and appurtenances thereunto belonging, unto Lender, its successors and assigns, forever, for the uses and purposes herein expressed.

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THIS MORTGAGE IS GIVEN TO SECURE:

- (1) Payment of the Indebtedness; provided, however, that the Indebtedness secured hereby shall in no event exceed an amount equal to five hundred percent (500%) of the face amount of the Note; and
- (2) The due, prompt and complete performance of the Obligations.

2. REPRESENTATIONS AND COVENANTS.

Borrower represents and covenants that each of the representations and covenants contained in this Mortgage is true, correct and complete as of the date hereof and will remain so until the Indebtedness has been fully paid and the Obligations have been fully performed. Borrower hereby represents and covenants to Lender that:

2.1 Title to Mortgaged Premises. As of the date hereof, Borrower is well and lawfully seized of each parcel of the Mortgaged Premises as a good and indefeasible estate in fee simple, free and clear of all liens and other encumbrances (including, with respect to the Equipment, fixtures and personal property referred to herein, security interests, conditional sales contracts, title retention financing devices and anything of a similar nature) except for matters ("Permitted Exceptions") approved by Lender and included as exceptions in the title insurance policy issued to Lender as of the date of disbursement to Borrower of the proceeds of the loan (the "Loan") evidenced by the Note. Borrower has full power and lawful authority to grant the liens and security interests herein provided. Borrower will defend the Mortgaged Premises against all claims and demands whatsoever other than the Permitted Exceptions.

2.2 Due Organization, Authority. Borrower and its Beneficiary are duly organized, validly existing and in good standing under the laws of the State of Illinois and have full power and authority to carry on their business, to own the Mortgaged Premises, to enter into the Loan Documents and to carry out the transactions contemplated therein.

2.3 Execution, Delivery and Effect of Loan Documents. The Loan Documents each have been duly authorized, executed and delivered by Borrower and/or the beneficiaries of Borrower (whether one or more, the "Beneficiary"), as applicable, and each Loan Document constitutes a legal, valid and binding obligation of Borrower and/or the Beneficiary, as applicable, enforceable in accordance with its respective terms, subject to bankruptcy, insolvency or other similar laws now or hereafter in effect or any equitable remedies relating to or affecting creditors' rights generally.

2.4 Other Obligations. The execution of the Loan Documents, the performance of the Obligations and the consummation of the transactions contemplated herein will not result in any breach of, or constitute a default under, any contract, agreement, document or other instrument to which Borrower or Beneficiary is a party or by which Borrower or Beneficiary may be bound or affected, and do not and will not violate or contravene the organizational and governing documents of Borrower or Beneficiary or any law to which Borrower or Beneficiary is subject, nor do any such instruments impose or contemplate any obligations which are or will be inconsistent with the Loan Documents. No approval by, authorization of or filing with any federal, state, municipal or other governmental commission, board or agency or other governmental authority is necessary in connection with the authorization, execution and delivery of the Loan Documents.

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2.5 Licenses and Permits. All certificates, licenses, and permits (collectively, "Permits") required by applicable laws, ordinances, codes and regulations for the operation of each parcel of the Mortgaged Premises as currently used are presently in full force and effect, and such Permits shall be available for Lender's inspection at all times and copies thereof shall be furnished to Lender upon request. Borrower shall keep all Permits now or hereafter required for the operation of the Mortgaged Premises in full force and effect and obtain renewals thereof before expiration. After diligent inquiry, Borrower has no knowledge that tenants within the Mortgaged Premises have failed to obtain any applicable Permits required for their respective use and operation of the Mortgaged Premises.

2.6 Compliance with Laws.

(a) Each parcel of the Mortgaged Premises and the use thereof for warehouse, office/warehouse and light manufacturing purposes comply, and throughout the term of the Loan shall continue to comply, with all applicable laws and regulations, including without limitation, environmental protection, health, OSHA, building and zoning laws and ordinances and set-back and parking requirements.

(b) Borrower has received no notice, and after making adequate inquiry, has no knowledge that any parcel of the Mortgaged Premises is in violation of any Environmental Law (as defined in Section 3.20 below).

(c) Borrower has received no notice of any spill, release or discharge of any Hazardous Substance (as defined in Section 3.20 below), onto or into the soil, surface, water or ground water of or on any parcel of the Mortgaged Premises, and Borrower, after making adequate inquiry, has no knowledge of any such spill, release or discharge.

(d) Borrower has not used, or permitted to be used, any parcel of the Mortgaged Premises for the treatment, storage or disposal of any Hazardous Substance which is not handled in accordance with all applicable laws, rules and regulations, and Borrower, after making adequate inquiry, has no knowledge of such use by any predecessor in interest or any other individual or entity.

(e) No asbestos is located upon or incorporated in, the Mortgaged Premises, and no equipment on the Mortgaged Premises contains polychlorinated biphenyls.

(f) No underground storage tanks are located on the Mortgaged Premises, except on Parcel 1 described in Exhibit A attached hereto.

(g) Borrower has received no notice of violation of any Environmental Law, nor has it committed or permitted any activity in violation of the representations made in paragraphs (a) through (e) of this Section 2.6.

(h) For the purposes of this Section 2.6 and Section 3.18 below, any one or more of the following shall constitute a determination of non-compliance with an Environmental Law:

(1) Determination by any governmental authority of such non-compliance, if the effect of such determination is not stayed within thirty (30) days by the commencement of an appropriate administrative or judicial appeal, if available; or

(2) A judgment by a court of competent jurisdiction of such non-compliance, if the effect of such judgment is not stayed

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within thirty (30) days by the commencement of an appropriate judicial appeal, if available.

(i) Borrower hereby represents and certifies that no portion of the Mortgaged Premises except Parcel 1 described in Exhibit A attached hereto falls within the categories of real property covered by the Illinois Responsible Property Transfer Act, Ill.Rev.Stat. ch.30, par.903 et. seq. (1989), as amended (the "Act"). Borrower shall protect, indemnify and hold Lender and Lender's stock-holders, directors, officers, employees, agents, successors and assigns harmless from and against any and all loss, damage, cost, expense, liability and penalty (including without limitation reasonable attorneys' fees and costs) directly or indirectly arising out of or attributable to any violation of the statutory disclosure requirements of the Act. This indemnity shall survive the satisfaction, release or extinguishment of the lien of this Mortgage, including without limitation any extinguishment of the lien of this Mortgage by foreclosure or deed in lieu thereof.

2.7 Construction and Completion of Improvements. To the best of Borrower's knowledge, all presently existing Improvements have been completed and installed in a good and workmanlike manner, in compliance with all applicable laws and ordinances and with the plans and specifications therefor, which Beneficiary has delivered to Lender. All Improvements are adequately served by electric, gas (where and if applicable), sewer, water, telephone and all other utilities required for the present and contemplated uses thereof. Any and all streets and driveways necessary for access to the Mortgaged Premises, and other on-site and off-site improvements necessary for the present and contemplated uses of the Mortgaged Premises and for service by utilities have been completed, are serviceable and have been accepted or approved by appropriate governmental bodies.

2.8 Independence of the Mortgaged Premises. Borrower has not by act or omission permitted any building or other improvements on property not covered by this Mortgage to rely on any portion, or any separate parcel, of the Mortgaged Premises to fulfill any municipal or governmental requirement for the existence and operation of such property, building or improvement, except for cross-easements for ingress, egress, parking and other uses which constitute Permitted Encumbrances, and no improvements on the Mortgaged Premises rely or shall rely on any property not encumbered by this Mortgage to fulfill any governmental or municipal requirement. Borrower has not by act or omission impaired the integrity of the Mortgaged Premises as a single, separate, subdivided zoning lot.

3. BORROWER'S COVENANTS OF PAYMENT AND OPERATION.

3.1 Performance of Covenants in Loan Documents. Borrower shall fully perform, observe and comply with all of the Obligations and shall duly and punctually pay to Lender the Indebtedness in accordance with the provisions of this Mortgage and the other Loan Documents, all without deduction, offset or credit for any reason.

3.2 Payment of Taxes and Tax Deposits.

(1) Payment of Taxes. Borrower shall pay or cause to be paid all taxes, assessments and other charges which are now or may be hereafter assessed or levied against the Mortgaged Premises or with respect to the occupancy, use or possession thereof, before delinquency, and shall deliver to Lender within thirty (30) days after the payment thereof receipts from the proper authorities for such payment. In default thereof, Lender may, but shall not be obligated to, pay such taxes, assessments, and other similar charges, including any penalties or interest thereon (without inquiring into the validity of such taxes, assessments or other charges and of which payment, amount and validity, the receipt of

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the proper authorities shall be conclusive evidence), and any amount so paid by Lender shall become immediately due and payable by Borrower with interest as described in Section 6.6 hereof until paid and shall be secured by this Mortgage. Provided there then exists no Event of Default (as hereafter defined) hereunder, Borrower shall have the right to contest the amount or validity of any such tax, assessments or other similar charges by appropriate legal proceedings if: (i) the legal proceedings shall operate to prevent the collection of such taxes, assessments or other charges so contested and the sale of the Mortgaged Premises to satisfy the same, and (ii) Borrower (unless such taxes, assessments or other charges have been paid in full under protest) shall deposit with Lender or with the appropriate court or other governmental authority or title insurance company satisfactory to Lender an amount, with such subsequent additions thereto as may be necessary or sufficient in Lender's opinion to pay such taxes, assessments or other charges, together with all estimated interest and penalties in connection therewith and all charges that may be assessed against, or become a charge on, the Mortgaged Premises.

(2) Escrow Payments.

(a) Borrower shall pay to Lender, concurrently with and in addition to each monthly payment payable under the Note, such amounts as Lender from time to time estimates will be required to maintain thereafter a balance from which to pay taxes, assessments and other governmental liens or charges against, and all ground rents if any payable with respect to, the Mortgaged Premises at least thirty (30) days prior to the date on which the same become delinquent or past due. Borrower shall procure and deliver to Lender in advance statements for such charges. Payments for such purposes may be made by Lender in its discretion, even though subsequent owners of the Mortgaged Premises may benefit thereby. Lender shall not be a trustee of such funds, and such funds may be commingled with the general funds of Lender and no interest shall be payable thereon. Upon demand by Lender, Borrower shall pay over to Lender from time to time such additional sums or such additional security as Lender determines is necessary to make up any deficiency in the amount necessary to enable Lender to fully pay any of the items hereinabove mentioned as they become payable. If any Event of Default occurs, any part or all of the balance of the amounts received by Lender pursuant to the foregoing may be applied to any part of the Indebtedness in the discretion of Lender and in refunding any part of such amounts Lender may deal with whomever is represented to be the owner(s) of the Mortgaged Premises at that time. The obligations of Borrower hereunder relating to taxes and assessments shall not be affected by this Section 3.2(2) or payments made pursuant hereto, except to the extent that such obligations have actually been satisfied by compliance with this subparagraph.

(b) Notwithstanding the provisions of Section 3.2(2)(a) above, Lender shall not require Borrower to make escrow deposits as long as there is strict compliance with all of the following requirements:

(i) No Event of Default shall have occurred under this Mortgage, the Note or any other Loan Document;

(ii) All taxes and assessments and ground rents, if any, shall be paid when due and before any penalty attaches and all insurance premiums as provided in Section 3.3 have been timely paid; and

(iii) Borrower promptly shall provide to Lender satisfactory evidence of timely payment of all taxes, assessments and ground rents, if any.

The conditional waiver of deposits contained in this Section 3.2(2)(b) is personal to the Borrower and shall not be effective, except as expressly permitted hereunder, in the event of any transfer of title to the Mortgaged Premises or of the beneficial interest in Borrower, or of partnership interests in Beneficiary.

3.3 Insurance and Insurance Deposits.

(1) Required Coverage. Borrower shall procure, deliver to and maintain for the benefit of Lender as an additional insured during the term of the Loan, the following insurance policies:

(a) "All-Risk" casualty insurance policies insuring the Improvements against all loss or damage occasioned by casualties which, under prudent insurance practice, commonly are insured against for buildings, structures, and improvements of like character in the area in which the Mortgaged Premises is located. The amount of such insurance shall be not less than the greater of (i) one hundred percent (100%) of the full replacement cost of the Improvements, without deduction for depreciation, as determined by Lender from time to time, and (ii) the Indebtedness outstanding from time to time;

(b) Real Loss Insurance insuring against loss arising out of the perils insured against in the policy or policies referred to in Section 3.3(1)(a) above, in an amount equal to not less than twelve (12) months gross revenue from the operation and rental of the Improvements;

(c) Insurance covering pressure vessels, pressure piping and machinery, if any, and all major components of any centralized heating or air-conditioning systems located in the Improvements, in an amount satisfactory to Lender, such policies also to insure against physical damage to the Improvements arising out of a peril covered thereunder;

(d) Insurance on the Equipment against loss or damage by fire and other hazards presently included in so-called "extended coverage" policies and against vandalism and malicious mischief in an amount satisfactory to Lender, but in any event in such amount as is necessary to preclude the Borrower from being a co-insurer;

(e) Comprehensive general public liability and property damage coverage with a broad form coverage endorsement and a combined single limit (inclusive of any umbrella coverage) of at least \$1,000,000.00;

(f) If the Mortgaged Premises are located in an area which at any time has been identified by the Secretary of the United States Department of Housing and Urban Development as a flood hazard area, Borrower will keep the Improvements covered by flood insurance in an amount at least equal to the full replacement cost of the Improvements or the maximum limit of coverage available for the Mortgaged Premises under the National Flood Insurance Act of 1986, whichever is less; and

(g) Such other insurance on the Mortgaged Premises in such amounts as from time to time may be required by the Lender against other insurable hazards and perils which at the time are commonly insured against for buildings, structures, improvements and equipment of like character in the areas in which the Mortgaged Premises or any portions thereof are located.

(2) Form of Policies. All policies of insurance required hereunder shall be in form, issued by such companies, and in amounts as are acceptable to Lender, shall be kept on deposit with Lender, and shall contain a non-contributory standard clause acceptable to Lender, with loss payable to Lender, a lender's

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loss payable endorsement, a waiver of subrogation endorsement, and replacement cost and agreed amount endorsements or equivalent clauses or endorsements acceptable to Lender. Borrower promptly shall pay when due any premiums on any policy or policies of insurance required hereunder, and will deliver to Lender renewals of such policy or policies at least thirty (30) days prior to the expiration dates thereof, with such policies and renewals or invoices therefor to be marked "paid" by the issuing company or agent. All policies shall provide that they may not be cancelled or materially modified for any reason without at least thirty (30) days prior written notice to Lender. The delivery to Lender of any policy of insurance hereunder or renewals thereof shall constitute an assignment to Lender of all unearned premiums thereon as further security for the payment of the Indebtedness. If any foreclosure action or other proceeding hereunder is successfully maintained by Lender, all right, title, and interest of Borrower in or to any policy or policies of insurance then in force shall vest in Lender or in the purchaser at a foreclosure sale insofar as such policy or policies apply to the Mortgaged Premises.

(7) Application of Loss Proceeds. (a) In the event of any loss or damage to any part of the Mortgaged Premises, Borrower shall give prompt notice thereof to Lender, and Lender may make proof of such loss or damage if the same is not promptly made by Borrower or if the Lender deems it desirable to do so. In the event of such loss or damage: (1) all proceeds of insurance shall be payable to Lender to the extent of the unpaid Indebtedness; (2) any affected insurance company is authorized and directed to make payment thereof directly to Lender to the extent of the unpaid Indebtedness; and (3) Lender is authorized and empowered, but not obligated, to settle, adjust or compromise any claims for loss, damage, or destruction under any policy or policies of insurance. Borrower agrees to execute, upon demand by Lender, all receipts, vouchers, releases and other instruments which may be necessary or desirable in aid of the aforementioned authorizations. Except as provided in Section 3.3(b) below, all such insurance proceeds, less the cost to Lender of adjusting and collecting such proceeds, at the sole discretion of Lender, may be: (A) applied to restore or repair of the Mortgaged Premises, or (B) applied to the last maturing installment or installments of the Indebtedness (whether or not then due and payable), or (C) paid over to the Borrower, on such terms and conditions as the Lender in its sole discretion may specify, to be used to repair the Improvements or Equipment or for any other purpose or object satisfactory to Lender, without affecting the lien of this Mortgage for the full amount of the Indebtedness before such payment took place or the priority thereof. Lender shall not be held responsible for any failure to collect any insurance proceeds due under the terms of any policy regardless of the cause of such failure. If Lender elects to make such insurance proceeds available for repair or restoration of the Mortgaged Premises, any portion of such proceeds not needed or used in such repair or restoration shall be applied to the Indebtedness as provided above.

(b) If, in Lender's reasonable judgment, any loss or damage referred to in Section 3.3(a) above does not exceed an amount equal to fifty (50%) percent of the value of the Improvements located on any one parcel of the Mortgaged Premises, then Lender shall, upon written request by Borrower, permit Borrower to use the insurance proceeds to restore, rebuild or repair the Improvements, such insurance proceeds to be disbursed by Lender upon compliance by Borrower with such terms and conditions as Lender may impose, including, without limitation, the following:

(1) Lender shall have approved the plans and specifications for the repair or restoration of the damaged property, the contract therefor, and the contractor who will perform such work;

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(2) If the contract price exceeds the available insurance proceeds, such excess shall be paid by Borrower, and Borrower shall have deposited such additional amounts with Lender prior to commencing any work and shall thereafter deposit with Lender from time to time such additional amounts as may be necessary (when added to remaining insurance proceeds) to pay all costs of construction;

(3) No lease affecting any portion, or any separate parcel of, the Mortgaged Premises immediately prior to the damage or destruction shall have been cancelled nor contain any still exercisable right to cancel as a result of such damage or destruction;

(4) Lender shall have received such documentation in the form of contractors' affidavits, architect's certificates, lien waivers and title insurance endorsements as Lender may consider appropriate to establish that all work done has been completed in accordance with approved plans and specifications; that the sum or sums requested are to reimburse Borrower for payments to, or are due to, contractors, subcontractors, materialmen, architects and engineers and other persons who have performed services or furnished materials; and that the amount of insurance proceeds and other funds available remaining after each such payment will be sufficient to pay for completion of all work;

(5) There shall be no existing Event of Default, and there shall have been no monetary default under the Note, this Mortgage or any other Loan Document, during the twelve-month period immediately preceding the damage in question, nor shall there have been any forbearance program commenced in connection with the Loan during such twelve-month period, nor shall there exist any forbearance program or request for the same;

(6) If the contract price for the work exceeds \$50,000, or if the work is structural in nature or includes structural work, such work, at Lender's election, shall be performed under the supervision of a registered architect or engineer engaged by Borrower and acceptable to Lender;

(7) The Improvements or Equipment to be repaired or restored shall be at least equal in value and general utility after repair or restoration to their value prior to their damage or destruction;

(8) Lender shall be given at least seven (7) business days prior written notice of any draw request;

(9) If an Event of Default occurs while the work to be done hereunder is in progress or if Borrower fails to commence the repair or restoration or to proceed diligently and continuously to completion of the repair or restoration, Lender may apply the funds held by lender or in escrow to pay for such work, including the insurance proceeds and other funds deposited by Borrower, against the Indebtedness;

(10) All repairs and restoration shall be completed within six (6) months from the date of casualty, unless Lender agrees to a longer period, and, in any event, shall be completed at least six (6) months prior to the Maturity Date;

(11) Prior to beginning any repair or restoration, Borrower shall obtain and have in force such builder's risk, workmen's compensation and additional liability insurance (including insurance covering the Equipment) as Lender may require, which insurance shall be kept in force until satisfactory completion of all work, and the original insurance policies evidencing such insurance coverages shall be held by Lender;

(12) The amount of insurance proceeds to be disbursed by Lender shall be net of the cost to Lender of adjusting and collecting such proceeds, including reasonable attorneys' fees and costs incurred by Lender in inspecting the work and reviewing plans and specifications and documentation furnished with each draw request;

(13) If Lender elects to have insurance proceeds disbursed through an escrow with a title insurance company, Borrower shall comply with all conditions for disbursement imposed by such escrowee, and shall pay all escrow and title charges and fees;

(14) All unexpended insurance proceeds remaining after completion of all work shall be retained by Lender and applied in reduction of the Indebtedness;

(15) Borrower shall deliver all certificates of occupancy, and other licenses and permits which are a prerequisite to the occupancy of the damaged Improvements as a condition to disbursement of the final draw; and

(16) No portion of the Mortgaged Premises, or of the beneficial interest in Borrower, or of partnership interests in Beneficiary, shall have been sold, assigned or transferred except as expressly permitted hereunder.

(4) Insurance Escrow Payments.

(a) Borrower shall pay to Lender, concurrently with and in addition to each monthly payment payable under the Note, such amounts as Lender estimates will be necessary to create and maintain a fund from which to pay premiums, as the same become due, for all insurance required hereunder. Borrower shall deliver to Lender in advance statements for such charges. Payments for such purposes may be made by Lender in its discretion, even though subsequent owners of the Mortgaged Premises may benefit thereby. Lender shall not be a trustee of such funds, and such funds may be commingled with the general funds of Lender, and no interest shall be payable thereon. Upon an Event of Default, any part or all of the funds held by Lender pursuant to this Section 3.3(4) may be applied to the Indebtedness in the discretion of Lender. Lender may make refunds out of such funds to whomever is then represented to be the owner(s) of the Mortgaged Premises. The obligations of Borrower pursuant to covenants contained in this Mortgage relating to insurance shall not be affected by this Section 3.3(4) or payments made pursuant hereto, except to the extent that such obligations actually have been satisfied by compliance with this Section 3.3(4).

(b) Notwithstanding the provisions of Section 3.3(4)(a) above, Lender shall not require Borrower to make deposits for insurance premiums as long as there is strict compliance with the following requirements:

(i) No Event of Default shall have occurred under this Mortgage, the Note or any other Loan Document;

(ii) All insurance premiums and all taxes referred to in Section 3.2 hereof shall be paid when due; and

(iii) Borrower promptly shall provide to Lender satisfactory evidence of timely payment of all insurance premiums.

The conditional waiver of insurance deposits contained in this Section 3.3(4)(b) is personal to the Borrower and shall not be effective in the event of any transfer, except as expressly

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permitted hereunder, of all or any part of the Mortgaged Premises or of the beneficial interest in Borrower, or of partnership interests in Beneficiary.

3.4 Maintenance, Repairs and Restoration; Compliance with Laws.

(1) Maintenance and Repair. Borrower shall keep and maintain the Mortgaged Premises and each separate parcel thereof in good order, condition and repair, ordinary wear and tear excepted, and will make, regardless of the sufficiency of insurance proceeds, as and when necessary or appropriate, all repairs, replacements, restorations and maintenance, including, without limitation, repairs of damage or destruction caused by fire or other casualty or as the result of any Taking. Borrower shall give Lender prompt written notice of any damage or destruction to any portion of the Mortgaged Premises caused by fire or other casualty. Borrower will suffer or commit no waste to the Mortgaged Premises. All repairs and maintenance made by Borrower must in Lender's judgement be of first-class quality and in compliance with Section 3.4(2) below. In performing any repairs or maintenance, Borrower shall comply with all requirements imposed by Lender, including, without limitation, furnishing additional title insurance against liens, architectural inspections and certificates, and furnishing security satisfactory to Lender guaranteeing the completion of all such work. Borrower shall not cause, suffer or permit the construction of any building, structure or improvement on any portion of the Mortgaged Premises without, in each instance, the prior written consent of Lender to the proposed action as well as to the plans and specifications relating thereto. None of the Improvements shall be demolished or substantially or structurally altered in any respect, without the prior written consent of Lender. Borrower, however, shall have the right, at any time and from time to time, to remove and dispose of any Equipment which is obsolete or unfit for use, provided Borrower promptly replaces such Equipment with other equipment of at least equal usefulness and quality, subject to the lien and security interest of this Mortgage and free of superior, pari passu or inferior security interests, liens or claims.

(2) Compliance with Laws. Borrower promptly shall comply or cause compliance with all covenants and restrictions affecting the Mortgaged Premises and any separate parcel thereof and with all present and future laws, ordinances, rules, regulations and other requirements, including, without limitation, Environmental Laws and regulations of all governmental authorities with respect to the Mortgaged Premises and with respect to the use or occupation thereof. Borrower shall have the right to contest the validity or application of any such laws, ordinances, rules, regulations and other requirements by appropriate legal proceedings, so long as: (i) such legal proceedings shall be prosecuted with diligence and shall operate to prevent any taking or closing of the Mortgaged Premises, and (ii) Borrower shall maintain on deposit with Lender an amount, sufficient in Lender's opinion to pay any fines, penalties, charges and interest thereon which may be awarded or assessed or become a charge or lien upon the Mortgaged Premises or any portion thereof. Borrower will not initiate or acquiesce in any zoning variation or reclassification of the Mortgaged Premises without Lender's prior written consent.

3.5 Sale, Assignment, Further Encumbrance and Other Liens and Charges.

(1) Beneficiary. Borrower covenants and represents that, as of the date hereof, the beneficiary of Borrower is Kensington Limited Partnership, an Illinois limited partnership ("Beneficiary"), the general partners (the "General Partners") of which are RS&P/Kensington, Inc., an Illinois corporation, and Zenistar/Kensington, Inc., an Illinois corporation, and the limited partners (the "Limited Partners") of which are RS&P/Kensington

Limited Partnership, an Illinois limited partnership, and Zenistar/Kensington Limited Partnership, a Delaware limited partnership. Borrower has been appropriately directed to, and Borrower shall, give prompt written notice to Lender and obtain the consent of Lender before acting upon or executing: (i) any direction to convey, assign or transfer any legal or beneficial interest in the Mortgaged Premises or in the beneficial interest of Borrower to any third party; or (ii) any contract, lease, option or mortgage to accomplish such conveyance, assignment or transfer.

(2) Prohibition on Transfer of Ownership and Beneficial Interests. It shall constitute an Event of Default hereunder if, without the prior written consent of Lender:

(a) Borrower shall sell, contract to sell (on an installment basis or otherwise), transfer, convey, or assign the legal title and/or beneficial interest to all or any portion of the Mortgaged Premises, whether by operation of law, voluntarily or otherwise; or

(b) Beneficiary shall sell, contract to sell (on an installment basis or otherwise), transfer, convey, or assign the beneficial interest, or any part thereof, under the Trust Agreement with Borrower (including a collateral assignment thereof), whether by operation of law, voluntarily or otherwise; or

(c) the stock of any General Partner shall be sold, transferred, conveyed or assigned (including entering into contracts to do any of the foregoing); or

(d) any party other than the General Partners, or either of them, shall become a general partner of Beneficiary; or

(e) any limited partner other than the Limited Partners shall acquire more than a twenty-three percent (23%) ownership interest in Beneficiary.

In connection with Lender giving its consent to any sale, assignment or other transfer referred to in (a)-(e) above, Borrower agrees that:

(i) Lender's consent to such sale, assignment or transfer may be withheld in Lender's sole and unfettered discretion;

(ii) If Lender consents to any such sale, assignment or transfer, such buyer, assignee or transferee shall agree to perform all obligations hereunder and under each of the other Loan Documents of his, her or its seller, assignor or transferor, subject to the provisions of Article 9 hereof and this mortgage shall be amended to evidence such transfer or assignment and such agreement by the buyer, assignee or transferee;

(iii) Whether or not Lender consents to any proposed sale, assignment or transfer, Borrower shall reimburse Lender for all of Lender's out-of-pocket expenses for reasonable legal fees and other costs which Lender incurs in connection with such transfer, conveyance or assignment or a request for consent thereto; and

(iv) The provisions of Section 3.5(4) hereof shall be applicable with respect to any such sale, assignment or transfer; and

(v) If Lender approves any such sale, assignment or transfer, no buyer, assignee or transferee shall have any further right to sell, assign or transfer any interest as described in this Section 3.5(2) without first obtaining Lender's prior

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written consent and satisfying the requirements of (i) through (v) above of this Section 3.5(2).

(3) Permitted Transfer of Ownership. Notwithstanding the provisions of Section 3.5(2), any Limited Partner shall have the right to sell, transfer or assign a portion of its limited partnership interest in Beneficiary, provided that:

(i) Such transferee does not acquire more than a twenty-three percent (23%) ownership interest in Beneficiary; and

(ii) The General Partners, or either of them, shall remain the sole general partners of Beneficiary.

(4) Prohibition on Further Encumbrances. Borrower covenants and agrees that this Mortgage is and will be maintained as a valid first lien on the Mortgage Premises, and that Borrower will not, without the prior written consent of Lender, which consent may be withheld by Lender in its sole and absolute discretion and upon such conditions as Lender may impose, directly or indirectly, create, suffer or permit to be created or filed against the Mortgaged Premises or the beneficial interest in Borrower, any mortgage lien, security interest, or other lien or encumbrance superior or inferior to or on a parity with the lien of this Mortgage, except the (i) lien of current general taxes not yet due and payable and (ii) a junior mortgage loan (the "Junior Mortgage") referred to in this subsection.

Borrower shall have the right to execute and deliver against the Mortgaged Premises the Junior Mortgage securing indebtedness junior and subordinate to the Indebtedness, provided that: (i) no Event of Default (which has not been fully cured) shall have occurred prior to the time such Junior Mortgage becomes a lien upon the Mortgaged Premises (ii) Lender shall be furnished written notice of the proposed Junior Mortgage not less than thirty (30) days prior to the execution of such Junior Mortgage and copies of the documents evidencing and securing the indebtedness secured thereby, such notice to include the amount and terms of the proposed Junior Mortgage loan and the identity of the lender, and Lender shall have approved such terms and such junior lender, it being agreed that Lender shall have absolute discretion with respect to approval of such terms and such junior lender, (iii) the then current documentable net operating income from the Mortgaged Premises, as determined by Lender, on an annualized basis is equal to not less than one hundred fifteen percent (115%) of the aggregate annual amount of all Combined Debt Service Payments (whether paid or accrued) required to be made to Lender hereunder, and to the holder of the Junior Mortgage pursuant to the terms and provisions of such Junior Mortgage, and (iv) the terms of the Junior Mortgage shall provide for final payment of principal and interest thereunder to coincide with or be later than the Maturity Date referred to in Recital A on page 1 of this Mortgage, without reference to any acceleration of such Maturity Date. As used herein, the terms "Combined Debt Service Payments" means (A) all payments of principal, interest, additional interest and other payments required to be made to Lender as provided herein and in the Note and (B) all payments of principal and interest and other amounts which are to be made to the holder of the Junior Mortgage pursuant to the terms and provisions of the Junior Mortgage and any promissory note or bond secured thereby. In the event Lender consents to the making of such Junior Mortgage loan, Lender may cause the interest rate hereunder to be increased, or other terms of the Indebtedness to be modified, and Section 3.5(5) hereof shall be applicable. If Lender does not consent to the making of such Junior Mortgage loan, Lender shall advise Borrower in writing of Lender's specific objection(s) to such proposed Junior Mortgage loan, and such Junior Mortgage loan shall not be

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made unless Borrower shall, within thirty (30) days after receipt of Lender's written objection(s) cause the matters giving rise to such objection(s) to be corrected or cured. If such objection(s) is/are corrected or cured within such 30-day period, such Junior Mortgage loan may be made. In the event any proposed Junior Mortgage is not made, Borrower may request Lender's consent and approval of another junior lender so long as Borrower complies with the provisions and satisfies the conditions set forth in this subsection. As used herein, the term "documentable net operating income" means the aggregate rental income from the Mortgaged Premises, less the sum of all taxes and operating expenses payable with respect to the Mortgaged Premises. In the event Borrower shall suffer or permit any lien other than as permitted pursuant to this Section 3.5(4) to attach to the Mortgaged Premises or to the beneficial interest in Borrower, Lender, at its option, has the unqualified right to accelerate the maturity of the Note causing the full principal balance and accrued interest and other charges to be immediately due and payable without notice to Borrower together with the Prepayment Fee provided in the Note. Any default pursuant to the terms and provisions of the Junior Mortgage shall constitute an Event of Default hereunder.

(5) Modification of Loan Terms as Condition of Consent. In connection with Lender giving its consent to any sale or transfer of the Mortgaged Premises or to a junior lien or encumbrance, Lender shall have the right to modify the terms of the Note, this Mortgage and other Loan Documents, including, without limitation, increasing the interest rate in the Note up to the rate then being offered by Lender on a mortgage loan secured by real property similar to the Mortgaged Premises and to increase the monthly payments required under the Note.

(6) Consent Not a Waiver. Any consent by Lender as provided in, or any waiver by Lender of the requirements of, any provision of this Section 3.5, shall not constitute a consent to, or a waiver of, any right, power, privilege, option or remedy of the Lender upon or as to any subsequent event.

(7) Mechanic's Liens; Utility Charges. Borrower shall keep the Mortgaged Premises free from all liens and encumbrances, whether by operation of law or by virtue of any express or implied contract, of persons supplying labor and/or materials or performing construction, repair, restoration or maintenance of the Mortgaged Premises. If any such liens are filed against the Mortgaged Premises, Borrower agrees to discharge the same of record within thirty (30) days after the filing thereof, provided, however, that if there then exists no Event of Default, Borrower shall have the right, at Borrower's sole expense, to contest the validity of any such liens by appropriate legal proceedings so long as: (i) such legal proceedings shall be diligently prosecuted and shall operate to prevent the collection of such liens and the sale of the Mortgaged Premises to satisfy the same; and (ii) Borrower shall deposit an amount satisfactory to Lender, to be held by an appropriate court or other governmental authority, or by a title insurance company satisfactory to Lender, until such liens are removed of record. Borrower shall pay promptly when due all charges for utilities or services, including without limitation charges for electricity, gas, water and sewer, and all license fees, rents and other charges for the use of vaults, canopies or other appurtenances to the Mortgaged Premises.

(8) Prohibition on Conversion to Condominium. Borrower shall not take any steps to subject the Mortgaged Premises to the jurisdiction of the Illinois Condominium Act or any successor statute or to sell or convey any portion of the Mortgaged Premises for condominium use. However, plans and/or declarations of condominium affecting the Mortgaged Premises may be prepared, but not filed or recorded.

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(9) Legal Proceedings. If any action or proceeding is instituted to evict Borrower from, or recover possession of, the Mortgaged Premises or for any other purpose affecting the Mortgaged Premises or this Mortgage, Borrower, promptly upon service thereof on or by Borrower, shall deliver to Lender a true copy of each petition, summons, complaint, notice, motion, order to show cause and all other process, pleadings and papers, however designated, served in any such action or proceeding, and at its sole expense shall defend the same and all interests of Lender, diligently with counsel acceptable to Lender.

(10) Reasonableness of Provisions. With respect to Sections 3.5(2), 3.5(3) and 3.5(4), Borrower acknowledges that, in determining whether to make the Loan, Lender has examined the credit-worthiness of Borrower and Beneficiary, found it acceptable and relied and continues to rely upon the same as the means of repaying the Loan. Lender also evaluated the background and experience of Borrower and Beneficiary in owning and operating property such as the Mortgaged Premises, found them acceptable and relied and continues to rely upon the same as the means of maintaining the value of the Mortgaged Premises as security for the Loan. Beneficiary is well-experienced in borrowing money and owning and operating property such as the Mortgaged Premises, was ably represented by a licensed attorney at law in the negotiation and documentation of the Loan and bargained at arm's length and without duress for all the terms and provisions of the Loan Documents, including this provision. Borrower and Beneficiary recognize that Lender is entitled to keep its loan portfolio at current interest rates either by making new loans at such rates or collecting assumption fees and/or increasing the interest rate of a loan, the security for which is purchased by a party other than the original Borrower. Borrower and Beneficiary further recognize that any secondary or junior financing placed upon the Mortgaged Premises (1) may divert funds which would otherwise be used to pay the Indebtedness, (2) could result in acceleration and foreclosure by any such junior lender which would force Lender to take measures and incur expenses to protect its security, (3) would detract from the value of the Mortgaged Premises should Lender come into possession thereof with the intention of selling same, and (4) would impair Lender's right to accept a deed in lieu of foreclosure, as a foreclosure by Lender would be necessary to clear title to the Mortgaged Premises. In recognition of such considerations and for the purposes of (i) protecting Lender's security, both of the repayment by Borrower and the value of the Mortgaged Premises, (ii) giving Lender the full benefit of its bargain and contract with Borrower, (iii) allowing Lender to raise the interest rate and/or collect assumption fees and (iv) keeping the Mortgaged Premises free of any subordinate financing liens, except as provided pursuant to Section 3.5(4) hereof, Borrower has agreed to the provisions of Sections 3.5(2), 3.5(3) and 3.5(4), and agrees that if such provisions may be deemed a restraint on alienation, then they are reasonable restraints on alienation.

3.6 Impairment of Security.

(1) Without limitation of any other provisions hereof, Borrower shall not, except in connection with the lien hereof or with a junior financing if permitted pursuant to Section 3.5(4) hereof, assign, in whole or in part, the rents, income or profits arising from the Mortgaged Premises without the prior written consent of Lender. Any such assignment made without Lender's prior written consent shall be null and void and of no force and effect. Without limitation of the foregoing, Borrower will not without the prior written consent of Lender in any other manner impair the security of this Mortgage for the payment of the Indebtedness.

(2) Borrower shall perform all obligations to be performed by Borrower and shall pay when due all payments and charges due, under or in connection with any liens and encumbrances on and security interests in the Mortgaged Premises and all rents

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and charges under any ground leases and other leases forming a part of the Mortgaged Premises. In general, Borrower shall do, or cause to be done, at the sole cost of Borrower, everything necessary to fully preserve and protect the initial priority of the lien of this Mortgage.

(3) Lender shall have the power but not any obligation to: (i) institute, become a party to, and maintain such civil actions and proceedings as it may deem expedient to prevent any impairment of the Mortgaged Premises by any acts which may be unlawful or in violation of this Mortgage; (ii) preserve and protect its interest in the Mortgaged Premises; and (iii) restrain the enforcement of or compliance with any legislative or other governmental enactment, regulation, rule, order or other requirement that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, regulation, rule, order or other requirement would impair the security hereunder or be prejudicial to the interest of Lender, and all costs and expenses incurred by Lender in connection therewith (including, without limitation, reasonable attorneys' fees) shall be paid by Borrower to Lender on demand, with interest at the rate specified in Section 6.6 hereof.

3.7 Lease Conditions and Assignment of Leases and Rents.

(1) Borrower shall observe and perform all covenants, conditions, and agreements in any space, occupancy and/or ground lease ("lease") now or hereafter affecting the Mortgaged Premises on the part of Borrower to be observed and performed. If Borrower shall default in the performance of any of the terms, covenants, conditions or obligations imposed upon Borrower by any such lease and such default would give the lessee (or lessor) the right to terminate or cancel such lease or make monetary advances and offset the same against future rentals, then, at the option of Lender: (1) the whole of the Indebtedness, shall become immediately due and payable and collectible by foreclosure or otherwise without notice or demand; and (2) Lender, may, but shall not be obligated to, take such action as Lender deems necessary or advisable to cure such default.

(2) Borrower upon request from Lender shall furnish to Lender: (i) a statement in such detail as Lender may request, certified by Borrower or Beneficiary, of all leases and subleases relating to the Mortgaged Premises; and (ii) the original or duplicate original or certified copies of all such leases and subleases.

(3) Neither Borrower nor Beneficiary shall, without the prior written consent of Lender, lease the Mortgaged Premises, except for leases or lease renewals which comply with the following conditions (and which, so long as they satisfy such conditions, do not require Lender's prior approval):

(a) The term of such lease shall be at least five (5) years.

(b) The rental payable under such lease shall be consistent with currently prevailing market rates;

(c) The tenant shall be a third party not related to or affiliated with Borrower or Beneficiary and the lease or renewal shall be negotiated in good faith on an arms-length basis;

(d) The lease shall be made upon Borrower's standard written form lease which has been approved by Lender;

(e) The lease shall be for not more than 5,000 square feet of space in the Mortgaged Premises; and

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(f) Borrower shall furnish Lender with a true and correct copy of such lease and a certified rent roll within ten (10) days after execution of any such lease.

Lender's approval of any leases or lease renewals shall be deemed granted in the event Lender does not notify Borrower or Beneficiary of its decision regarding any such lease within fifteen (15) days from Lender's receipt thereof.

(4) In order to further secure payment of the Indebtedness and the performance of the Obligations, Borrower hereby assigns, transfers and sets over to Lender for the benefit of Lender, all of Borrower's right, title and interest in, to and under all of the leases now or hereafter affecting any part of the Mortgaged Premises and in and to all of the rents, issues, profits and other benefits now or hereafter arising from the Mortgaged Premises. Unless and until an Event of Default has occurred, Borrower shall have a license, and shall be entitled, to collect the rents, issues, profits and other benefits of the Mortgaged Premises (except as otherwise provided in this Mortgage) as and when they become payable. Borrower shall execute and deliver such further instruments evidencing the assignment of leases and rents, issues, profits and other benefits of the Mortgaged Premises as may be requested by Lender from time to time. Lender shall be liable to account only for rents, issues, profits and other benefits of the Mortgaged Premises actually received by Lender pursuant to the provisions of this Mortgage or any separate assignment of rents. All sums of money received by Lender from rents, profits or income of the Mortgaged Premises, after deducting therefrom all charges and expenses paid or incurred in connection with the collection and disbursement thereof shall be applied in any manner Lender may direct. Any lessee of the Mortgaged Premises may rely and act upon the written statement of Lender to the effect that Borrower is in default and that Lender is entitled to receive rents, income and profits hereunder, notwithstanding any contrary notice from Borrower, and each such lessee shall have no duty to see to the proper application of any sums received by Lender.

3.8 Books and Records; Financial Statements.

Borrower shall keep or cause to be kept proper books and records with respect to the Mortgaged Premises and the operation thereof. Lender shall have the right to examine the books of account of Borrower and Beneficiary and the statements furnished by Borrower pursuant to this Section 3.8 (which books, records and statements, and the data used as a basis for their preparation, shall be kept and preserved for at least three (3) years after the full payment of the Indebtedness, but in the event of any dispute, such records shall be retained until the final determination of such dispute) and to be informed as to the affairs, finances and accounts of Borrower and Beneficiary by Borrower and Beneficiary, all at such times and intervals as Lender may desire. Borrower and Beneficiary shall keep and preserve their records within one hundred (100) miles of the Mortgaged Premises, and shall permit Lender or its representatives to make copies and excerpts therefrom. Borrower shall furnish to Lender within one hundred twenty (120) days following the end of each fiscal year of the Borrower or Beneficiary a statement of annual income and expenses, in detail satisfactory to Lender, in connection with the Mortgaged Premises, together with a certified rent roll and other supporting data requested by Lender. Each such statement shall be detailed, shall be prepared in accordance with generally accepted accounting principles consistently applied ("GAAP"), and shall be certified by the general partner of Beneficiary. Upon Lender's request, and at any time after the occurrence of an Event of Default, the financial statements furnished by Borrower hereunder shall be audited statements prepared by an independent certified public accountant in accordance with GAAP standards. The fiscal year of Borrower currently ends on December 31 of each calendar year. Borrower promptly shall advise Lender of any change in the fiscal year of Borrower.

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3.9 Use of Premises; Licenses; Compliance with Laws; Prohibition of Certain Liens; Management.

(1) Use of Mortgaged Premises. Borrower shall at all times operate the Mortgaged Premises as warehouse, office/warehouse and light manufacturing buildings. Borrower represents and covenants the buildings located upon and forming part of the Mortgaged Premises are fully equipped in a manner appropriate for such operation, and Borrower shall maintain, replace and repair such equipment as is necessary and appropriate to operate the Mortgaged Premises in the same way as it is now operated, and shall have the right to construct tenant improvements in vacant space. Borrower shall not hereafter acquire any fixtures, equipment, furnishings or apparatus covered by this Mortgage subject to any security interest or other charge or lien.

(2) Acquisition of Personalty. Borrower shall not make, suffer or permit, without the prior written consent of Lender, any purchase, conditional sale, lease or agreement (except those made by tenants) under which title is reserved in the vendor of any fixtures, apparatus, machinery, equipment or personal property to be placed in or upon the Mortgaged Premises. Borrower shall execute and deliver, from time to time, such further instruments as requested by Lender to confirm the validity and priority of the lien of this Mortgage on any such fixtures, machinery, apparatus and equipment.

(3) Management. Borrower shall cause the Mortgaged Premises to be managed by Borrower or by a management company (and pursuant to a management agreement) approved by and satisfactory to Lender. At any time the management of the Mortgaged Premises is not satisfactory to Lender, the Borrower shall have a reasonable opportunity not exceeding thirty (30) days from giving of notice by Lender to obtain approved and satisfactory management. If approved and satisfactory management has not been obtained within such thirty (30) day period following the giving of said notice by Lender, at the Lender's option, the entire Indebtedness, including, without limitation any Prepayment Premium applicable under the Note, shall become immediately due and payable.

3.10 Taxes on Lender.

(1) If any law of the State of Illinois, the United States of America, or any other governmental authority, is hereafter passed deducting from the value of real estate for the purpose of taxation any lien thereon or changing in any way the laws for the taxation of mortgages or debts secured by mortgages or the manner of collection of such taxation, excluding changes in corporate income taxation, so as to adversely affect the yield to Lender of the debt secured by this Mortgage, or to make it obligatory upon Lender to pay any such tax, then Lender shall have the right upon one hundred twenty (120) days written notice to Borrower to require the payment of the Indebtedness, and the Indebtedness shall become due and payable immediately upon the expiration of such one hundred twenty (120) days; provided, however, that such requirement of payment shall be ineffective if Borrower is permitted by law to pay the whole of such tax in addition to all other payments required hereunder, without any penalty to Lender, and if Borrower does pay such tax prior to the date upon which payment is required by such notice.

(2) In the event any tax or other governmental charge or imposition is due, unpaid or payable by Borrower or Lender upon the Indebtedness (other than income tax on the interest, late charges or prepayment fee receivable by Lender with respect thereto), including any recording tax, documentary stamps or other tax or imposition on the Note, this Mortgage, or any other Loan Document, Borrower forthwith shall pay such tax, charge or imposition and promptly deliver to Lender proof of payment thereof.

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3.11 Use of Loan Proceeds.

(1) Business Loan. Borrower represents, warrants, covenants and agrees that all of the proceeds of the Loan shall be used solely for business purposes and in furtherance of the regular business affairs of Borrower and Beneficiary, and that the entire Indebtedness constitutes: (i) a "business loan" as the term is defined in Section 4(1)(c) of Paragraph 6404, Chapter 17, Illinois Revised Statutes; and (ii) "a loan secured by a mortgage on real estate" for the purposes of Section 4(1)(1) of Paragraph 6404, Chapter 17, Illinois Revised Statutes.

(2) Usury. All agreements between Borrower and Lender (including, without limitation, those contained in this Mortgage, the Note and any other Loan Documents) are expressly limited so that in no event whatsoever shall the amount paid or agreed to be paid to Lender exceed the highest lawful rate of interest permissible under the laws of the State of Illinois. If, from any circumstances whatsoever, fulfillment of any provision hereof, of the Note or any other Loan Document, at the time performance of such provision shall be due, shall involve the payment of interest exceeding the highest rate of interest permitted by law which a court of competent jurisdiction may deem applicable hereto, then, ipso facto, the obligation to be fulfilled shall be reduced to the highest lawful rate of interest permissible under the laws of the State of Illinois; and if for any reason whatsoever, the Lender shall ever receive an interest an amount which would be deemed unlawful, such interest shall be applied to the payment of the last maturing principal installment or installments of the Indebtedness (whether or not then due and payable) and not to the payment of interest, or if such amount exceeds principal, shall be refunded to Borrower or the party(ies) lawfully entitled thereto.

(3) Regulation G. Borrower covenants and agrees that the proceeds of the Loan were not and will not be used for the purpose (whether immediate, incidental or ultimate) of "purchasing" or "carrying" any "margin security" as such terms are defined in Regulation G of the Board of Governors of the Federal Reserve System (12 CFR Part 207) or for the purpose of reducing or retiring any indebtedness which was originally incurred for any such purpose.

3.12 Evasion of Prepayment Premium. If Lender accelerates the maturity of the Indebtedness because of an Event of Default, and payment is tendered by or on behalf of Borrower in an amount sufficient to satisfy the Indebtedness prior to judicial confirmation of a foreclosure sale, such tender shall constitute a prepayment under the Note and shall require payment of the applicable Prepayment Fee provided for in the Note. The Prepayment Fee shall be payable at any time that the maturity of the Indebtedness is accelerated, regardless of whether the Borrower has the right at such time to make a voluntary prepayment of the Indebtedness pursuant to the terms and provisions of the Note.

3.13 Recorded Instruments. Borrower shall perform and observe, or cause to be performed and observed, all terms, covenants and conditions of all instruments affecting the Mortgaged Premises or any portion thereof (without implying any consent of Lender thereto), non-compliance with which might affect the security of this Mortgage or impose any duty or obligation upon Borrower or upon any owner, lessee or occupant of the Mortgaged Premises or any part thereof; and Borrower shall preserve any and all easements, appurtenances and other interests and rights constituting a portion of the Mortgaged Premises.

3.14 Indemnity; Payment of Charges. Borrower promptly shall: (a) pay and discharge any and all license fees or similar charges, with penalties and interest thereon, which may be imposed for the use of any ramps, vaults, chutes, areas and other space adjoining or near any portion of the Mortgaged Premises; and (b) cure any violation of law and comply with any order of any

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governmental authority, agency or instrumentality in respect of the repair, replacement or condition of the ramps, sidewalks, curbs or any vaults, chutes, areas or other space described in clause (a) above, adjoining or near any portion of the Mortgaged Premises. In the event of any default under either (a) or (b) of the preceding sentence, Lender may, but shall not be obligated to pay any and all such fees or similar charges, with penalties and interest thereon, and the charges for such repair or replacement and all monies expended by Lender in connection therewith (including but not limited to reasonable legal fees and costs) shall become immediately due and payable by Borrower, with interest as described in Section 6.6 hereof until paid, and shall be secured by this Mortgage.

3.15 Estoppel Certificates. At any time and from time to time, Borrower shall deliver to Lender, or to any person designated by Lender, a written statement executed and acknowledged in recordable form certifying: (1) that this Mortgage, the Note and the Loan Documents are in full force and effect and have not been modified, or if modified, stating the modifications; (2) the date to which the Indebtedness has been paid; (3) that neither Borrower nor Lender is in default under this Mortgage, the Note or the Loan Documents (or, if such a default allegedly exists, stating those claimed); (4) that no offsets or defenses exist to the payment of the Indebtedness and the performance of the Obligations (or, if there are alleged offsets or defenses, specifying such alleged offsets or defenses); and (5) such other information as Lender may require.

3.16 Additional Acts, Etc. Borrower will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all such further acts, conveyances, notes, mortgages, security agreements, financing statements and assurances as Lender shall require for accomplishing or preserving or protecting the purposes of this Mortgage, provided that such action will not increase Borrower's liability hereunder; and the Borrower shall pay the costs of filing fees, recording fees, title or other searches, reasonable attorneys' fees and other costs relating to the foregoing.

3.17 Subordination of Property Manager's Lien; Affiliates.

Borrower shall include a "no lien" provision in any property management agreement hereafter entered into by Borrower or Beneficiary with a property manager for the Mortgaged Premises, whereby the property manager waives and releases any and all mechanics' lien rights that such manager, or anyone claiming through or under such manager, may have pursuant to Ill. Rev. Stat., ch. 82, par. 1. At Lender's request, a subordination agreement executed by the property manager in form acceptable to Lender, shall be recorded in the county in which the Mortgaged Premises are located. With respect to the present property manager Robert Sheridan & Partners, Borrower shall cause the said property manager to enter into a subordination agreement with Lender, in recordable form, whereby the property manager subordinates its present and future lien rights and those of any party claiming by, through or under it, to the lien of this Mortgage. Any future property manager shall also enter into such a subordination agreement.

3.18 Environmental Matters; Notice; Indemnity.

(1) Neither Borrower nor Beneficiary will install, use, generate, manufacture, produce, store, release, discharge or dispose of on, under or about any portion of the Mortgaged Premises, nor transport to or from any portion of the Mortgaged Premises any Hazardous Substance (as defined below) nor allow any other person or entity to do so except under conditions permitted by applicable laws, regulations and ordinances.

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(2) Borrower will keep and maintain the Mortgaged Premises in compliance with, and shall not cause or permit the Mortgaged Premises, or any portion thereof, to be in violation of, any Environmental Law (as defined in Section 3.20 below).

(3) Borrower or Beneficiary will give prompt written notice to Lender of:

(a) any proceeding, investigation or inquiry commenced by any governmental authority with respect to the presence of any Hazardous Substance on, under or about the Mortgaged Premises, or any portion thereof, or the migration thereof to or from adjoining property;

(b) all claims made or threatened by any individual or entity against Borrower, Beneficiary or the Mortgaged Premises or any portion thereof, relating to any loss or injury allegedly resulting from any Hazardous Substance; and

(c) the discovery by Borrower or Beneficiary of any occurrence or condition on any real property adjoining or in the vicinity of the Mortgaged Premises or any portion thereof, which might cause the Mortgaged Premises to be subject to any restriction on the ownership, occupancy, transferability or use of the Mortgaged Premises, or any portion thereof, under any Environmental Law.

(4) Lender shall have the right and privilege to: (i) join in and participate in, as a party if it so elects, any one or more legal proceedings or actions initiated with respect to the Mortgaged Premises in connection with any Environmental Law; and (ii) have all costs and expenses thereof (including without limitation Lender's reasonable attorneys' fees and costs) paid by Borrower.

(5) Borrower shall protect, indemnify and hold Lender and Lender's stockholders, directors, officers, employees, agents, successors and assigns harmless from and against any and all loss, damage, cost, expense and liability (including without limitation reasonable attorneys' fees and costs) directly or indirectly arising out of or attributable to the installation, use, generation, manufacture, production, storage, release, threatened release, discharge, disposal or presence of a Hazardous Substance on, under or about the Mortgaged Premises, including without limitation: (i) all foreseeable consequential damages; and (ii) the costs of any required or necessary repair, cleanup or detoxification of the Mortgaged Premises and the preparation and implementation of any closure, remedial or other required plans. This indemnity shall survive the satisfaction, release or extinguishment of the lien of this Mortgage, including without limitation any extinguishment of the lien of this Mortgage by foreclosure or acceptance of a deed, in lieu thereof.

3.19 Remedial Work. If any investigation, site monitoring, containment, cleanup, removal, restoration or other remedial work of any kind or nature (the "Remedial Work") is necessary or desirable under any applicable federal, state or local law, regulation or ordinance, or under any judicial or administrative order or judgment, or by any governmental person, board, commission or agency, because of or in connection with the current or future presence, suspected presence, release or suspected release of a Hazardous Substance into the air, soil, ground-water, surface water or soil vapor at, on, about, under or within the Mortgaged Premises or any portion thereof, Borrower, within thirty (30) days after written demand for performance by Lender (or within such shorter time as may be required under any applicable law, regulation, ordinance, order or agreement), shall commence and thereafter diligently prosecute to completion all such Remedial Work. All Remedial Work shall be performed by contractors approved in advance by Lender and under the supervision of a consulting engineer, all approved in advance by Lender. All costs and expenses

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of such Remedial Work (including without limitation the reasonable fees and expenses of Lender's counsel) incurred in connection with monitoring or review of the Remedial Work shall be paid by Borrower.

3.20 Definitions.

(1) The term "Environmental Law" means and includes, without limitation, any federal, state or local law, statute, regulation or ordinance pertaining to health, industrial hygiene or the environmental or ecological conditions on, under or about the Mortgaged Premises, including without limitation each of the following as each of the same has been or may be amended: the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"); the Resource Conservation and Recovery Act of 1976 ("RCRA"); the Federal Hazardous Materials Transportation Act; the Toxic Substance Control Act; the Illinois Environmental Protection Act; the Clean Air Act; the Federal Water Pollution Control Act; and the rules, regulations and ordinances of the U.S. Environmental Protection Agency, the Illinois Environmental Protection Agency and the County in which the Mortgaged Premises are located and of all other agencies, boards, commissions and other governmental bodies and officers having jurisdiction over the Mortgaged Premises or the use or operation thereof.

(2) The term "Hazardous Substance" means and includes, without limitation:

(a) those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances" or "solid waste" in any of the Environmental Laws;

(b) those substances listed in the U.S. Department of Transportation Table of amendments thereto (49 CFR 172.101) or by the U.S. Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and any amendments thereto);

(c) those other substances, materials and wastes which are or become regulated under any applicable federal, state or local law, regulation or ordinance or by any federal, state or local governmental agency, board, commission or other governmental body, or which are or become classified as hazardous or toxic by any such law, regulation or ordinance; and

(d) any material, waste or substance which is any of the following: (A) asbestos; (B) polychlorinated biphenyls; (C) designated or listed as a "hazardous substance" pursuant to Section 311 or Section 307 of the Clean Water Act (33 U.S.C. Sections 1251 et. seq.); (D) explosive; (E) radioactive or (F) oil or petroleum products.

3.21 Inspection. Lender shall have the right at all reasonable times to inspect the Mortgaged Premises and Beneficiary's books and records pertaining to the Mortgaged Premises to determine Borrower's and Beneficiary's compliance with the provisions of this Mortgage (including, without limitation, Section 3.18 hereof). Lender, at Borrower's sole expense, may select an environmental inspector or other consulting engineer to make periodic inspections of the Mortgaged Premises, which engineer shall have unrestricted access to all parts of the Mortgaged Premises. Nothing herein shall impose any obligation on Lender to inspect the Mortgaged Premises, nor shall any inspection constitute any approval of the Mortgaged Premises nor any representation, warranty or obligation with respect thereto by Lender.

4. CONDEMNATION.

4.1 Condemnation. If all or any substantial part of or the use of any portion of the Mortgaged Premises is damaged, taken or acquired, either temporarily or permanently, as a result

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of any condemnation proceeding, by eminent domain, by the alteration of the grade of any street affecting any portion of the Mortgaged Premises, or by private agreement or sale in lieu of any of the foregoing, the entire Indebtedness, at Lender's option, shall become immediately due and payable. As additional security for the payment of the Indebtedness, any award or other payment for such taking or damage made in consideration thereof, to the extent of the full amount of the Indebtedness, is assigned irrevocably to Lender who is empowered to collect and receive the same and give receipts therefor in Borrower's name, and the same shall be paid forthwith to Lender. Any award or payment so received by Lender, at the option of Lender and after the payment of all its expenses (including reasonable attorney's fees) in connection with the foregoing proceedings: (a) may be retained and applied, in whole or in part, to the Indebtedness, in such manner as Lender may determine, or (b) may be released, in whole or in part and on such terms and conditions and according to such procedures as Lender may require, to Borrower for the purpose of altering, restoring or rebuilding any part of the Mortgaged Premises altered, damaged or destroyed as the result of such taking, alteration or proceeding: provided, however, that Lender shall not be obligated to see to the application of any amounts so released, and such release shall not affect the validity and priority of the lien of this Mortgage for the full Indebtedness before the release or payment took place. Immediately upon receipt by Borrower of actual notice of institution of any condemnation proceeding or negotiations affecting any substantial part of or use of any portion of the Mortgaged Premises, Borrower shall give notice thereof to Lender and Lender may appear in and participate in any such proceeding or negotiation and may be represented therein by counsel at Borrower's expense. Borrower promptly shall give Lender copies of all notices, pleadings, judgments, determinations and all other communications received by Borrower in any condemnation proceedings or negotiations, whether or not Lender is a party thereto.

For the purposes of this Section 4.1, reference to a "substantial part" of any portion of the Mortgaged Premises means any portion of land or buildings, the loss of which, in Lender's reasonable judgment, would materially adversely affect the value of the security granted to Lender hereby

5. SECURITY AGREEMENT; FINANCING STATEMENT.

5.1 Security Agreement.

(1) Grant of Security Interest. In addition to, and not in substitution of any other interest granted herein, Borrower hereby grants to Lender an express security interest in, and mortgages to Lender, all goods, types and items of property owned by the Borrower which are described in Section 5.1(2) below, whether now or hereafter erected on or placed in or upon the Mortgaged Premises or any part thereof, and all replacements thereof, additions and accessions thereto and products and proceeds thereof, to further secure the payment of the Indebtedness and the performance of the Obligations. Borrower represents and covenants that, except for the security interest granted hereby and other interests, if any, stated in Exhibit B attached hereto, Borrower is the owner of the Equipment free from any adverse lien, security interest or encumbrance and that Borrower has made payment in full for all such Equipment; and Borrower will defend and protect the Equipment and title thereto against all claims and demands of all persons at any time claiming the Equipment or any interest therein. Upon request from Lender, Borrower will deliver to Lender such further security agreements, chattel mortgages, financing statements and evidence of ownership of such items as Lender may request.

(2) Property Covered. The security interest hereby granted to Lender shall cover the following types or items of property now or hereafter owned by the Borrower and used in connection with, and located upon, the Mortgaged Premises: All property described in Sections 1(d), (e) and (g) hereof and in

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Exhibit B attached hereto. In addition, Borrower hereby grants to Lender an express security interest in all tenements, hereditaments, easements, appendages, licenses, privileges and appurtenances belonging or in any way appertaining to the Mortgaged Premises, and all interests in property, rights and franchises or any part thereof, together with all reversions and remainders, and to the extent permitted by law, all rents, tolls, issues and profits from the Mortgaged Premises, and all the estate, right, title, interest and claims whatsoever, at law and in equity, which Borrower now has or may hereafter acquire with respect to the Mortgaged Premises.

(3) Additional Covenants. Borrower further covenants and agrees as follows:

(a) Transfer or Pledge of the Equipment. Except as permitted under Section 3.4(1) and Section 3.5(3), Borrower will not sell, assign, pledge, lease or otherwise transfer or encumber the Equipment without the prior written consent of Lender; and Borrower will keep the Equipment free from any adverse lien, security interest, or encumbrance. Without limitation or qualification of the foregoing, Borrower shall immediately deliver to Lender all proceeds (cash or non-cash) resulting from any sale, assignment, pledge, lease or other transfer of any part of the Equipment.

(b) Assembly of the Equipment. Upon default hereunder and acceleration of the Indebtedness pursuant to the provisions hereof, Lender may at its discretion require Borrower to assemble the Equipment and make it available to Lender at a place designated by Lender which is reasonably convenient to both parties.

(c) Notice of Sale. Lender shall give Borrower written notice of the time and place of any public sale of any of the Equipment or of the time after which any private sale or other intended disposition thereof is to be made, by sending notice to Borrower at least ten (10) days before the time of the sale or other disposition, which provisions for notice Borrower and Lender agree are reasonable, provided, however, that nothing herein shall preclude Lender from proceeding as to both real and personal property in accordance with Lender's rights and remedies in respect of the real property as provided by applicable law.

(d) Payment of Lender's Expenses. Borrower shall reimburse Lender for all costs, charges and fees, including reasonable attorneys' fees, incurred by Lender in preparing and filing security agreements, extension agreements, financing statements, continuation statements, termination statements and chattel searches.

(e) Representations and Remedies. The Equipment described herein shall be considered for all purposes a part of the Mortgaged Premises; all representations and covenants contained in this Mortgage made by Borrower, including representations of title, shall be deemed as having been made with reference to the Equipment; all agreements, undertakings and obligations of Borrower stated herein shall apply to the Equipment, including without limitation, obligations regarding insurance, freedom from adverse lien or encumbrance, repair and maintenance; and all remedies of the Lender in the event of any default by Borrower under the terms of this Mortgage or any other Loan Document shall be available to the Lender against the Equipment.

5.2 Financing Statement. This Mortgage also constitutes a financing statement for the purpose of Section 9-402 of the Uniform Commercial Code of Illinois (Illinois Revised Statutes, Chapter 26) and shall constitute a "fixture filing"

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under such statutes and shall be filed in the real estate records of Cook County, Illinois.

- (1) Name of Debtor: American National Bank and Trust Company of Chicago, as trustee under Trust Agreement dated December 15, 1988, and known as Trust No. 107164-05
- Debtor's Mailing Address: 33 North LaSalle Street
Chicago, Illinois 60602
- Address of Property: See Exhibit A attached hereto.
- Name of Secured Party: MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, a Massachusetts corporation
- Address of Secured Party: 1295 State Street
Springfield, Massachusetts 01111
Attention: Vice President and Managing Director,
Mortgage Portfolio Department--
Real Estate Investment Division

(2) This financing statement covers the following types or items of property: the property described in Sections 1(d), (e) and (g) and 5.1 and Exhibit B of this instrument.

(3) Some of the above goods are or are to become fixtures on the Land. Borrower is the record owner of the Land upon which the foregoing fixtures and other items and types of property are located.

6. EVENTS OF DEFAULT: REMEDIES.

6.1 Defaults. Subject to any applicable notice and cure periods set forth in the Note, if any one or more of the following events of default (collectively called "Events of Default" and separately called an "Event of Default") shall occur, all Indebtedness, including, without limitation, the whole of the principal sum remaining unpaid under the Note, together with all accrued interest and other charges due thereon shall at the option of Lender become immediately due and payable without notice or demand, and may be recovered at once, by foreclosure or otherwise:

(1) The failure by Borrower to make any payment of principal or interest under the Note or this Mortgage, or of any deposit required under Sections 3.2 or 3.3 hereof when the same becomes due and payable; or

(2) The failure of Borrower or Beneficiary to observe or perform any other term, condition, covenant, agreement, representation or warranty contained herein or in any of the other Loan Documents, or the failure of any representation or warranty contained herein or in any of the other Loan Documents to be true and accurate in all material respects; or

(3) The occurrence of any default in the observance or performance of any term, condition, covenant or agreement in any assignment of lease, assignment of rents, any other Loan Document; or

(4) The occurrence of any default pursuant to the terms and conditions of any Junior Mortgage permitted pursuant to the provisions of Section 3.5(4) hereof; or

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(5) The occurrence of any of the following events:

(a) Borrower or Beneficiary or any General Partner generally shall not pay its debts as they become due or shall admit in writing its inability to pay its debts, or shall make a general assignment for the benefit of creditors;

(b) Borrower or Beneficiary or any General Partner shall commence any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its or their debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its or their property;

(c) Borrower or Beneficiary or any General Partner shall take any action, to authorize any of the actions set forth in Sections 6.1(5)(a) or 6.1(5)(b); or

(d) Any case, proceeding or other civil action in the nature of a bankruptcy or insolvency proceeding against Borrower or Beneficiary or any General Partner shall be commenced seeking to have an order for relief entered against it as debtor, or 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 seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property, and such case, proceeding or other action: (i) results in the entry of an order for relief against it which is not fully stayed within sixty (60) days after the entry thereof; or (ii) remains undismissed for a period of ninety (90) days.

6.2 Remedies. Without limitation of the foregoing provisions of this Section 6 or of any other provision hereof or of any other Loan Document, upon the occurrence of an Event of Default and at any time thereafter, Lender shall have the right, at its option and without further notice, without waiving or releasing Borrower from any of its obligations hereunder, to exercise any or all of the following remedies:

(1) Acceleration. Subject to any applicable notice and cure periods set forth in the Note, Lender may declare the principal balance remaining unpaid under the Note, together with all accrued interest thereon and all other Indebtedness (including without limitation the Prepayment Fee provided for in the Note), immediately due and payable.

(2) Foreclosure. Subject to any applicable notice and cure periods set forth in the Note, Lender may foreclose this Mortgage to collect all or any part of the Indebtedness, by instituting a foreclosure action in any court having jurisdiction. Lender shall have the right to purchase the Mortgaged Premises at any foreclosure sale.

(3) Offset Rights. Lender may apply in satisfaction of the Indebtedness any deposits or other sums credited by or due from Lender to Borrower, including, without limitation, insurance proceeds, proceeds of condemnation and funds held in escrow pursuant to Sections 3.2 and 3.3 hereof.

(4) Cure of Default. Without releasing Borrower from any obligation hereunder or under any of the other Loan Documents, Lender shall have the right but absolutely no obligation to cure any Event of Default. In connection therewith, Lender may enter upon the Mortgaged Premises and may do such acts and things as Lender deems necessary or desirable to protect the Mortgaged Premises or the leases thereof, including, without limitation:

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(a) paying, purchasing, contesting or compromising any encumbrance, charge, lien, claim of lien, taxes or other charges or liabilities against all or any portion of the Mortgaged Premises;

(b) paying any insurance premiums; and

(c) employing counsel, accountants, contractors and other appropriate persons to assist Lender in the foregoing;

and all monies expended by Lender in connection therewith shall become immediately due and payable by Borrower, with interest as described in Section 6.6 hereof until paid, and payment thereof shall be secured by this Mortgage.

(5) Possession of Mortgaged Premises. Lender shall have the right to take physical possession of the Mortgaged Premises and of all books, records, documents and accounts relating hereto and exercise, without interference from Borrower, any and all rights which Borrower has with respect to the Mortgaged Premises, including, without limitation, the right, at Borrower's expense, to rent and lease the same and to hire a professional property manager for the Mortgaged Premises. If necessary to obtain possession as provided for herein, Lender, without liability to Borrower or any other person, may invoke any and all legal remedies to dispossess Borrower, including, without limitation, one or more civil actions for forcible entry and detainer, trespass and restitution. In connection with any action taken by Lender, Lender shall not be liable for any loss sustained by Borrower or Beneficiary resulting from any failure to let the Mortgaged Premises or from any other act or omission of Lender in managing the Mortgaged Premises unless caused by the gross negligence, willful misconduct or bad faith of Lender or its agents nor shall Lender be obligated to perform or discharge any obligation, duty or liability under any lease or by reason of any Loan Document. Borrower agrees to indemnify, hold harmless and defend Lender from and against any liability, loss or damage incurred by Lender under any lease or under any of the Loan Documents as a result of Lender's exercise of rights, powers, options, elections or remedies under any of the Loan Documents unless such liability, loss or damage is the result of the gross negligence, willful misconduct or bad faith of Lender. Should Lender incur any such liability, the amount thereof, with interest on all sums expended at the rate set forth in Section 6.6, shall be secured hereby and Borrower shall reimburse Lender therefor immediately upon demand. Lender shall have full power to make all alterations, renovations, repairs and replacements to the Mortgaged Premises as may seem appropriate to Lender.

(6) Appointment of a Receiver. Upon application to a court of competent jurisdiction, Lender shall be entitled to the appointment of a receiver for the Mortgaged Premises, without notice, without regard to the solvency or insolvency of the person or persons, if any, liable for the payment of the Indebtedness, and without regard to the then value of the Mortgaged Premises, whether the same shall be then occupied as a homestead or not, and Lender may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of the Mortgaged Premises 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 Premises, to the fullest extent permitted by law. The receiver may apply the net income in its hands in payment in whole or in part: (a) of the Indebtedness or by any order or judgment foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such order or judgment, provided such

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application is made prior to the foreclosure sale; and (b) to the deficiency in case of a sale and deficiency.

(7) Uniform Commercial Code Remedies. Lender may exercise any and all rights of a secured party with respect to the Equipment and any other personal property which constitutes a part of the Mortgaged Premises provided under the Illinois Uniform Commercial Code.

(8) Subrogation. Lender shall have and may exercise all rights, powers, privileges, options and remedies of any person, entity or body politic to whom Lender renders payment or performance in connection with the exercise of its rights and remedies under the Loan Documents, including without limitation any rights, powers, privileges, options and remedies under any mechanic's or vendor's lien or liens, superior titles, mortgages, deeds of trust, liens, encumbrances, rights, equities and charges of all kinds heretofore or hereafter existing on the Mortgaged Premises, to the extent that the sums are paid or discharged pursuant to Section 6.2(4) or from the proceeds of the Note, whether or not released of record.

(9) Other. Lender may take such other actions or commence such other proceedings as Lender deems necessary or advisable to protect its interest in the Mortgaged Premises and its ability to collect the Indebtedness as are available under applicable laws and ordinances and rules of courts having jurisdiction.

(10) Mortgagee-in-Possession. Nothing herein contained shall be construed as constituting the Lender a Mortgagee-in-possession in the absence of the actual taking of possession of the Mortgaged Premises by Lender.

(11) Abandonment of Proceedings. In case Lender shall have proceeded to enforce any right under this Mortgage by foreclosure, sale, entry, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to Lender, then, and in every such case, Borrower and Lender shall be restored to their former positions and rights hereunder.

6.3 Sums Received by Lender. All sums received by Lender under Section 6.2 above, less all costs and expenses incurred by Lender under Section 6.2, including, without limitation, reasonable attorneys' fees and disbursements, property management fees, costs of alterations, renovations, repairs and replacements made or authorized by Lender and all expenses incident to Lender taking possession of the Mortgaged Premises, and such sums as Lender deems appropriate as a reserve to meet future expenses of the Mortgaged Premises, shall be applied to the Indebtedness in such order as Lender shall determine. Thereafter, any balance shall be paid to the person or persons legally entitled thereto.

6.4 Fees and Expenses; Distribution of Foreclosure Sale Proceeds. If Lender shall incur or expend any sums, including reasonable attorneys' fees, whether or not in connection with any action or proceeding to sustain the lien of this Mortgage or its priority, to protect or enforce any of Lender's rights hereunder, to recover the Indebtedness, to enforce the performance of the Obligations by Borrower, or on account of its being Lender hereunder or its making the Loan, all such sums shall become immediately due and payable by

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Borrower with interest thereon as described in Section 6.6 hereof. All such sums shall be secured by this Mortgage and shall be a lien on the Mortgaged Premises prior to any right, title, interest or claim in, to or upon the Mortgaged Premises attaching or accruing subsequent to the date of this Mortgage. Without limitation of the generality of the foregoing, in any action to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness all costs and expenses which may be paid or incurred by or on behalf of Lender, or the holder(s) of the Note for reasonable attorneys' fees, appraisers' fees, receiver's costs and expenses, insurance, taxes, outlays for documentary and expert evidence, costs for preservation of the Mortgaged Premises, stenographer's charges, publication costs and costs of procuring all abstracts of title, title searches and examinations, title insurance policies and commitments therefor, Certificates of Title issued by the Registrar of Titles (Torrens certificates), and similar data and assurances with respect to title as Lender, or holder(s) of the Note may deem to be necessary either to prosecute such action or to provide to bidders at any sale which may be had pursuant to such foreclosure the true condition of the title to or value of the Mortgaged Premises or for any other reasonable purpose. The amount of any such costs and expenses which may be paid or incurred after the order or judgment for sale is entered may be estimated and the amount of such estimate may be allowed and included as additional Indebtedness in the order or judgment for sale.

6.5 Lender's Exercise of Rights.

(1) Effect of Modification. If Lender in one or more instances: (i) grants any extension of time or forbearance with respect to the payment of the Indebtedness; (ii) takes other or additional security for the payment thereof; (iii) waives or fails to exercise any right granted herein, in the Note or in any other Loan Document; (iv) grants, with or without consideration, any release from the lien of this Mortgage or other Loan Documents of the whole or any part of the security held for the payment of the Indebtedness (whether or not such security is the property of Borrower or others); (v) agrees to any amendment or modification of any of the terms and provisions hereof or of the other Loan Documents; then and in any such event, any such act or omission to act shall not: (a) release Borrower or any comakers, sureties or guarantors of this Mortgage and the other Loan Documents from any covenant of this Mortgage or any other Loan Documents, nor (b) preclude Lender from exercising any right, power, privilege, option or remedy granted herein or in any other Loan Document or so intended to be granted upon the occurrence of any Event of Default or otherwise, nor (c) in any way impair or affect the lien or priority of the lien of this Mortgage.

(2) Remedies Not Exclusive. No right, power, privilege, option or remedy of Lender under this Mortgage or any other Loan Document shall be exclusive of, but rather shall be in addition to, every other right, power, privilege, option and remedy under this Mortgage and the other Loan Documents and every other right, power, privilege, option and remedy now or hereafter existing at law or in equity. Every such right, power, privilege, option and remedy may be exercised concurrently or independently, and when and as often as may be deemed expedient by Lender. No delay in exercising or failure to exercise any right, power, privilege, option or remedy accruing on any default shall impair any such right, power, privilege, option or remedy or shall be construed to be a waiver of any such default or acquiescence therein, nor shall it affect any subsequent default of the same or a different nature. A waiver of any of the terms, covenants, conditions or provisions hereof, or of any of the

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other Loan Documents, shall apply to the particular instance only to the extent expressly provided, and at the particular time only; and no such waiver shall be deemed a continuing waiver, but all of the terms, covenants, conditions and other provisions of this Mortgage and the other Loan Documents shall survive and continue to remain in full force and effect.

(3) The failure of Lender to give any notice(s) required under the Note shall not result in the imposition of any liabilities or penalties upon Lender. Nothing contained in this Section 6 shall prevent the imposition of Late Charges under the Note or the immediate exercise by Lender, without further notice to Borrower, of any and all rights and remedies granted to Lender hereunder or under the other Loan Documents or under law or equity to protect or realize upon any property encumbered by this Mortgage or the other Loan Documents or to protect the lien created hereby or by any other Loan Document.

6.6 Advances. If Lender makes any advances hereunder (exclusive of advances of principal evidenced by the Note but inclusive of advances under Section 6.2(4) hereof), Lender promptly will notify Borrower of such advances and the amounts so advanced shall become immediately due and payable with interest at the Default Rate specified in the Note. The failure of Lender to give the notice contemplated by this Section 6.6 shall not affect the securing by this Mortgage of those amounts so advanced or the obligation of Borrower to repay the same with interest as aforesaid.

6.7 Valuation and Appraisement. Borrower shall not apply for or avail itself of any appraisement, valuation, stay, extension or exemption laws or any so-called "Moratorium Laws," whether now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, and Borrower hereby waives the benefit of all such laws. Borrower for itself and all who may claim by, through or under it waives any and all right to have the property and estates comprising the Mortgaged Property marshalled upon any foreclosure of the lien hereof, and agrees that any court having jurisdiction to foreclose such lien or any trustee having a power of sale to foreclose such lien, may order the Mortgaged Premises sold in one parcel as an entirety or in such parcels, manner or order as the Lender, in its sole discretion may elect.

6.8 Release and Waiver of Homestead and Right of Redemption. To the fullest extent allowed by applicable law, Borrower hereby releases and waives: (i) any and all rights under and by virtue of the homestead exemption laws of the State of Illinois; (ii) all rights to retain possession of the Mortgaged Premises after an Event of Default; (iii) any and all rights to trial by jury; and (iv) any and all rights of redemption from sale under any order or judgment of foreclosure of this Mortgage or under any sale or statute or order, decree or judgment of any court relating to this Mortgage, on behalf of itself and each and every person acquiring any interest in or title to the Mortgaged Premises, it being the intent hereof that any and all such rights of redemption of Borrower and of all such other persons are hereby waived to the maximum extent and with the maximum effect permitted by the provisions of the Illinois Mortgage Foreclosure Law, including without limitation Sections 15-1601 and 15-1602 and any other applicable sections thereof, and to the maximum extent and with the maximum effect permitted by the provisions of all other applicable laws or by any successor or replacement statutes.

7. GENERAL.

7.1 Modification. No change, amendment, modification, waiver, cancellation or discharge hereof, or any part hereof,

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shall be valid unless in writing and signed by all of the parties hereto or their respective successors and assigns.

7.2 Notices.

A. Any notice required or permitted under this Mortgage, the Note or under any Loan Document shall be given in writing and shall be effective for all purposes if (i) hand delivered to the party designated below, or (ii) sent by certified or registered mail, United States mail, first class postage prepaid; or (iii) delivered by air delivery service, either commercial or United States Postal Service, with proof of delivery, addressed as follows:

To the Borrower: American National Bank and Trust Company
of Chicago, Trust No. 107164-05
33 North LaSalle Street
Chicago, Illinois 60601

With a copy to: Kensington Limited Partnership
c/o Robert Sheridan & Partners
641 West Lake Street
Chicago, Illinois 60606-1098
Attn: Bruce Kinney

To the Lender: Massachusetts Mutual Life Insurance Company
1295 State Street
Springfield, MA 01111
Attn: Vice President and Managing Director
Mortgage Portfolio Department
Real Estate Investment Division

or to such other address and/or person as shall be designated from time to time by Lender or Borrower, as the case may be, in a written notice to the other parties hereto in the manner provided for in this paragraph.

B. Notices shall be deemed to have been given at the time delivered or when delivery is refused or cannot be made because of the absence of a recipient at the notice address during normal working hours on a Business Day, if delivered by any method other than by mail, or in the case of registered or certified mail, three (3) Business Days after deposit in the United States mail. "Business Day" shall mean any day other than Saturday, Sunday or any other day on which national banks in Chicago, Illinois are not open for business.

C. A party receiving a notice which does not comply with the technical requirements for notice under this Paragraph may elect to waive any deficiencies and treat the notice as having been properly given.

7.3 Definition of Terms. Whenever used in this instrument, unless the context shall otherwise clearly require, the term "Borrower" and the term "Lender" shall include their legal representatives, successors and permitted assigns, as the case may be, of Borrower and Lender, and all persons claiming by, through, or under Borrower or Lender; the term "person" shall include any individual, partnership, corporation, trust, unincorporated association or government, or any agency or political subdivision thereof, or any two or more of the foregoing acting in concert; the singular shall include the plural, and the plural, the singular; and any gender used shall include the other genders.

7.4 Releases. The right is hereby reserved by Lender to make partial release or releases of the Mortgaged Premises or of any other security held by Lender with respect to the Indebtedness, without notice to, or the consent of, other parties in interest, including junior lienors, which partial release or

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releases shall not impair in any manner the validity of or priority of this Mortgage on the portion of the Mortgaged Premises not so released.

7.5 Successors and Assigns. Subject to and without limiting the provisions herein restricting or limiting Borrower's right of assignment and transfer, all of the terms, covenants, conditions and agreements herein set forth shall be binding upon and inure to the benefit of the respective heirs, executors, administrators, legal representatives, successors and assigns, as the case may be, of the parties hereto.

7.6 No Merger. It being the desire and intention of the parties hereto that this Mortgage and the lien hereof shall not merge in fee simple title to the Mortgaged Premises, it is hereby understood and agreed that should Lender acquire any additional or other interests in or to the Mortgaged Premises, then, unless a contrary intent is manifested by Lender in an appropriate document duly recorded, this Mortgage and the lien hereof shall not merge in the fee simple or leasehold title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple or leasehold title.

7.7 Assignment by Lender. Lender may assign all or any portion of its interest hereunder and its rights granted herein and in the other Loan Documents to any person, trust, financial institution or corporation as Lender may determine; and upon such assignment, such assignee shall succeed to all the rights, interests and options of Lender herein and in the other Loan Documents contained.

7.8 Applicable law. This Mortgage encumbers property in the State of Illinois, which laws shall govern the construction, enforceability, validity and interpretation hereof.

7.9 Severability. If any provision of this Mortgage or the application thereof to any person or circumstance shall be invalid or unenforceable, the remaining provisions of this Mortgage and the application of such provision or provisions to other persons or circumstances shall not be affected thereby and shall be fully effective and enforceable to the extent permitted by law.

7.10 No Partnership. In no event shall Lender be deemed to be a partner or joint venturer with Borrower. Without limitation of the foregoing, Lender shall not be deemed to be a partner or joint venturer on account of its becoming a Mortgagee in possession or exercising any rights pursuant to this Mortgage or pursuant to any other Loan Document.

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

7.12 Headings. Paragraph and section headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this instrument.

7.13 Conflict. In the event of any conflict or inconsistency between the terms and provisions of this Mortgage and the terms and provisions of any other Loan Document (excluding the Note), the terms and provisions of this Mortgage shall control.

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7.14 Counterparts. This Mortgage may be executed in any number of counterparts, each of which shall be deemed an original, and all of which counterparts shall be deemed to constitute one and the same instrument, which instrument may be sufficiently evidenced by any one counterpart.

7.15 Time of the Essence. Time is of the essence of this Mortgage and of every part hereof.

8. POSSESSION AND DEFEASANCE.

8.1 Possession. Until the occurrence of an Event of Default and except as otherwise expressly provided to the contrary, Borrower shall retain full possession of the Mortgaged Premises and collect all rents therefrom, subject, however, to all of the terms and provisions hereof and of the other Loan Documents.

8.2 Defeasance. If all of the Indebtedness is paid as the same becomes due and payable and if all of the Obligations are kept and performed, then in that event only, all rights under the Loan Documents shall terminate and the Mortgaged Premises shall become wholly clear of the liens, grants, security interests, conveyances and assignments evidenced hereby, and Lender shall release or cause to be released, such liens, grants, assignments, conveyances and security interests in due form at Borrower's cost, provided that Borrower shall pay no fine or penalty to Lender to obtain such release(s). Recitals of any matters or facts in any instrument executed by Lender under this Section 8 shall be conclusive proof of the truthfulness thereof. To the extent permitted by applicable law, such an instrument may describe the grantee as "the person or persons legally entitled thereto". Lender shall not have any duty to determine the rights of persons claiming to be rightful grantees of the Mortgaged Premises. When the Mortgaged Premises have been fully released, such release shall operate as a reassignment of all future rents, issues and profits of the Mortgaged Premises to the person or persons legally entitled thereto, unless such release expressly provides to the contrary.

9. LIMITATIONS ON LIABILITY.

9.1 Limitation on Liability. It is understood and agreed that in any action or proceedings brought on this Mortgage or on any of the other Loan Documents in which a money judgment is sought, Lender will look solely to the real estate, security and other property described herein and in the other loan documents and the rents, issues, income and profits therefrom for payment of this obligation and specifically, and without limitation, agrees to waive any right to seek or obtain a deficiency judgment against Borrower.

Notwithstanding the foregoing, nothing contained in this Section 9.1 shall be deemed to prejudice the rights of Lender to proceed against any individual or entity whatsoever, including Borrower or Beneficiary: (i) with respect to the enforcement of any guarantees or leases including, without limitation, any master lease given in connection with the making of the Loan, or similar rights to payment; or (ii) for fraud or material misrepresentation in connection with any affidavit, certification, warranty or representation given by Borrower, Beneficiary or any general partner or officer of Borrower or Beneficiary in connection with the making of the Loan; or (iii) to recover any condemnation or insurance proceeds or other similar funds or payments attributable to the Mortgaged Premises which under the terms of this Mortgage should have been paid to Lender or which were released by Lender and not applied in accordance with the conditions of this Mortgage or such release; or (iv) to recover any tenant security deposits, advance or prepaid rents or other similar sums paid to or held by Borrower or Beneficiary or any

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other individual or entity in connection with the operation of the Mortgaged Premises; or (v) to recover, with the exception of the distributions described in the following sentence, any gross revenues from the Mortgaged Premises, which have not been applied as follows: to pay any portion of the Indebtedness, to pay any operating and maintenance expenses of the Mortgaged Premises including, without limitation, real estate taxes and assessments and insurance premiums for the Mortgaged Premises, or to pay deposits into a reserve for taxes, ground rent, insurance, replacements or other sums required by the Loan Documents or approved by Lender; or (vi) to recover any expenses, damages or costs (including, without limitation, reasonable attorneys' fees) incurred by Lender and arising from any breach of a covenant or warranty or indemnity relating to Hazardous Substances contained in Section 2.6, 3.18 or 3.19 hereof or in the Hazardous Substances Indemnity Agreement which constitutes one of the Loan Documents. Lender shall not have any right to recover distribution(s) made from the gross revenues of the Mortgaged Premises to Borrower or any person having a direct or indirect legal or beneficial ownership interest in Borrower so long as (1) the distribution(s) was made more than thirty (30) days prior to the giving of a notice of default by Lender to Borrower in the manner provided under the paragraph in the Note entitled "Notice and Cure"; and (2) using generally accepted accounting principles consistently applied, the projected gross revenues of the Mortgaged Premises for the twelve (12) month period from and after the distribution were sufficient in the good faith judgment of Borrower at the time of the making of the distribution, after taking into account the projected expenses and obligations of and pertaining to the Mortgaged Premises herein for the twelve (12) month period after such distribution, to pay all such expenses and obligations.

9.2 Limitation on Liability of Land Trustee. This instrument is executed by American National Bank and Trust Company of Chicago, not personally but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said Trustee hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein contained shall be construed as creating any liability on said Trustee personally to pay any indebtedness accruing hereunder, or to perform any covenant either express or implied herein contained (it being understood and agreed that each of the provisions hereof, except the warranty hereinabove contained, shall constitute a condition and not a covenant or agreement regardless of whether the same may be couched in language of a promise or covenant or agreement), all such personal liability, if any, being expressly waived by the Lender and by every person now or hereafter claiming any right hereunder, and that so far as the said Trustee is concerned, the Lender shall look solely to the Mortgaged Premises hereby mortgaged or conveyed and to other security agreements, documents or instruments or guaranties evidencing or securing the indebtedness secured hereby for the payment thereof, by the enforcement of the liens, charges and other rights created by said Loan Documents, in the manner herein and in said Loan Documents provided or by action permitted against parties other than the said Trustee under Section 9.1 hereof.

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IN WITNESS WHEREOF, the undersigned has executed and delivered this instrument as of the day and year first above written.

ATTEST:

AMERICAN NATIONAL BANK AND TRUST COMPANY
OF CHICAGO, not personally but as
Trustee under Trust Agreement dated
December 15, 1988, and known as
Trust No. 107164-05

By [Signature]
Its SECRETARY

By [Signature]
Its DEE PRESIDENT

(Impress corporate seal here)

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

Not a valid and correct recording of this instrument unless the recording fee is paid to the Cook County Clerk's Office.

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

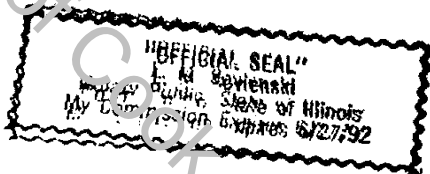
MAR 28 1990

The foregoing instrument was acknowledged before me this ___ day of _____, 1990 by Peter H. Johanson and Anita H. Lutz, (Vice) President and Assistant Secretary, respectively, of American National Bank and Trust Company of Chicago, a national banking association, on behalf of said national banking association, as Trustee as aforesaid.

L. M. Sovienaki
NOTARY PUBLIC

(Impress Notarial Seal Here)

My commission expires: _____, 19__



THIS INSTRUMENT WAS PREPARED BY, AND AFTER RECORDING, REGISTRATION OR FILING, PLEASE RETURN TO:

FOLEY & LARDNER
James A. Winkler, Esq.
Three First National Plaza
Suite 4950
Chicago, Illinois 60602

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05/20/2010

EXHIBIT A

REAL ESTATE DESCRIPTION

PARCEL 1:

LOT 106 IN KENSINGTON CENTER RESUBDIVISION TWELVE, IN PART OF THE NORTH WEST QUARTER OF SECTION 35, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT OF RESUBDIVISION RECORDED OCTOBER 1, 1984 AS DOCUMENT NUMBER 27276309, IN COOK COUNTY, ILLINOIS.

P.I.N. 03-35-104-040

PARCEL 2:

LOT 1 IN KENSINGTON CENTER RESUBDIVISION 1 OF LOT 7 IN KENSINGTON CENTER, PHASE ONE, AND LOTS 1, 4 AND 5 IN KENSINGTON CENTER PHASE TWO, BEING SUBDIVISIONS IN PART OF THE NORTH WEST QUARTER OF SECTION 35, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SUBDIVISIONS RECORDED OCTOBER 2, 1979 AS DOCUMENT NUMBER 25171362 AND JUNE 2, 1980 AS DOCUMENT NUMBER 25472808, RESPECTIVELY, AND SAID SUBDIVISION BEING RECORDED NOVEMBER 25, 1980 AS DOCUMENT NUMBER 25681628, IN COOK COUNTY, ILLINOIS.

P.I.N. 03-35-104-005

PARCEL 3:

LOT 3 IN KENSINGTON CENTER RESUBDIVISION IV, BEING A RESUBDIVISION OF LOTS 2 AND 3 IN KENSINGTON CENTER, PHASE TWO, BEING A SUBDIVISION IN PART OF THE NORTH WEST QUARTER OF SECTION 35, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 31, 1980 AS DOCUMENT NUMBER 25722781, IN COOK COUNTY, ILLINOIS.

P.I.N. 03-35-104-007

PARCEL 4:

LOT 2 IN KENSINGTON CENTER RESUBDIVISION IV, BEING A RESUBDIVISION OF LOTS 2 AND 3 IN KENSINGTON CENTER, PHASE TWO, BEING A SUBDIVISION IN PART OF THE NORTH WEST QUARTER OF SECTION 35, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 31, 1980 AS DOCUMENT NUMBER 25722781, IN COOK COUNTY, ILLINOIS.

P.I.N. 03-35-104-006

Street Addresses of Property:

699 Wheeling Road, Mount Prospect, Illinois
900 Bierman Court, Mount Prospect, Illinois
799 Bierman Court, Mount Prospect, Illinois
900 N. Business Center Dr., Mount Prospect, Illinois

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EXHIBIT B

Description of Collateral

All right, title and interest of Borrower in, to or with respect to the following, whether as owner, lessor or otherwise:

(a) any monies on deposit for the payment of real estate taxes and special assessments against the Mortgaged Premises or for the payment of premiums on policies of fire and other hazard insurance covering the Equipment described hereunder or the Mortgaged Premises;

(b) all proceeds paid for damage done to the Equipment described hereunder or the Mortgaged Premises;

(c) all proceeds of any award or claim for damages for any of the Equipment described hereunder or the Mortgaged Premises taken or damaged under the power of eminent domain or by condemnation;

(d) all rents, issues and profits of and from the Mortgaged Premises and all leases and payments due thereunder with respect to the Mortgaged Premises;

(e) all machinery, devices, fixtures, appurtenances, equipment, furniture and furnishings and articles of personal property of every kind and nature whatsoever owned or leased by Borrower now or hereafter located in or at, and used or useful in connection with the operation or maintenance of, the Mortgaged Premises including, without limitation:

(1) all maintenance equipment, engines, furnaces, boilers, stokers, pumps, tanks, heaters, oil burners, dynamos, generators, motors, switchboards, ranges, refrigerators, dish-washers, furniture and furnishings;

(2) all radios, telephone equipment, television sets and antennas and all public address systems, rugs, mats, carpets, awnings, shades, screens and blinds, vinyl composition and other floor, wall and ceiling coverings, partitions, doors and hardware, electrical wiring and equipment, projection equipment, heating, plumbing, washroom, toilet and lavatory fixtures and equipment;

(3) all vending machines, washing machines, laundry apparatus, kitchen, dining room and workshop tools, utensils and equipment; lifting, ventilating and incinerating apparatus;

(4) all sprinkler and other fire extinguishing and fire prevention apparatus or systems, air-cooling and air-conditioning apparatus, gas, electric and steam fixtures, elevators, conveyors, escalators, hoists, fittings, radiators, chutes, ducts, machinery, snow removal, landscaping, gardening, sweeping, vacuuming and other cleaning and maintenance equipment, wastepaper baskets, tools, building supplies, lobby decorations, parking equipment, outdoor furniture, swimming pool and recreational fixtures and equipment and window washing hoists and equipment and all draperies and curtains;

(5) all consumable supplies, inventories and office, cleaning, engineering, advertising and promotional materials, printing and stationery, maintenance and housekeeping supplies;

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(6) all items located in the apartment units and/or in the apartment buildings located on the Mortgaged Premises, including but not limited to: all refrigerators, freezers, ovens, ranges, hood fans, cabinetry, carpeting, heaters and air conditioners; and

(7) all items of personal property located in or about the clubhouse or recreational area, swimming pools and model apartments, if any, located on the Mortgaged Premises.

(f) all rights of Borrower to use trade names and distinctive symbols with respect to the Mortgaged Premises; and

(g) all right, title and interest of Borrower in to and under the following documents and all rights, privileges, options and remedies therein contained:

(1) all present and future contracts (and amendments thereto) for construction, remodelling or renovation of improvements on the Mortgaged Premises;

(2) all present and future contracts (and amendments thereto) for design and architectural services and all Plans and Specifications related in any way to the Mortgaged Premises; and

(3) all permits, licenses, consents, agreements and authorities issued by each governmental authority which relate in any way to the construction, ownership, operation or use of or improvements and/or personal property on the Mortgaged Premises; and

(h) all additions to any of the foregoing, replacements thereof, substitutions therefor and the proceeds thereof.

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