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COOK COUNTY, ILLINOIS
SUIT FOR RECORD

TITLE NO.: 72 54 919/NBU 90-245
BLOCK: 56 of the original town of Chicago
SECTIONS: 9 and 10
LOT: 5 and the west 30 feet of lot 6
TOWNSHIP 39 North
RANGE 14

Attention: Frank McCay, Esq.

This instrument prepared by, and after recording please return to:
Dewey, Ballantine, Bushby, Palmer & Wood
101 Park Avenue
New York, New York 10178

Box 3335

90154370

Mortgage Amount: \$2,000,000

("Mortgage")

a national banking association having its principal office at
1 Chase Manhattan Plaza, New York, New York 10081

THE CHASE MANHATTAN BANK
(National Association),

TO

Address: c/o Investment Properties Associates
60 East 42nd Street
New York, New York 10165

INVESTMENT PROPERTIES ASSOCIATES
a New York limited partnership

FROM

MORTGAGE, ASSIGNMENT OF LEASES AND
RENTS AND SECURITY AGREEMENT
("this Mortgage")

\$43.00

CMB Loan No. _____ Date: As of April 2, 1990

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"Improvements" means all structures or buildings, and replacements thereof, now or hereafter located upon the Premises, including all plant equipment, apparatus, machinery and fixtures of every kind and nature whatsoever forming part of said structures or buildings.

"Guarantor" means any guarantor of all or part of Mortgagor's obligations under the Note or this Mortgage.

"Events of Default" means the events and circumstances described as such in Section 2.01 hereof.

"Chattels" means all fixtures, furnishings, fittings, appliances, apparatus, equipment, building materials and components, machinery and articles of personal property, of whatever kind or nature, including any replacements or products thereof and additions thereto, other than those owned by lessees, now or at any time hereafter intended to be or actually affixed to, attached to, placed upon, or used in any way in connection with the complete and comfortable use, enjoyment, development, occupancy or operation of the Premises, and whether located on or off the Premises.

Mortgagor and Mortgagee agree that, unless the context otherwise specifies or requires, the following terms shall have the meanings herein specified, such definitions to be applicable equally to the singular and the plural forms of such terms.

CERTAIN DEFINITIONS

Mortgagor is the owner of the premises described in Schedule A hereto. Mortgagee has loaned to Mortgagor the Mortgage Amount which is evidenced by a note (the "Note") of Mortgagor of even date herewith in that amount and Mortgagor, in order to secure the payment thereof, has duly authorized the execution and delivery of this Mortgage. In the event that all or any part of the Premises is located in the State of New York, then, notwithstanding the language in the Granting Clause and Section 1.10 hereof or anything else contained herein to the contrary, the maximum amount of principal indebtedness secured by this Mortgage at execution or which under any contingency may become secured hereby at any time hereafter is the Mortgage Amount plus all amounts expended by Mortgagee following a default hereunder in respect of insurance premiums and real estate taxes, and all legal costs or expenses of collection of the debt secured hereby or of the defense or prosecution of the rights and lien created by this Mortgage.

RECITAL

THE AMOUNT OF THIS MORTGAGE IS \$2,000,000.

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(1V) all rents, royalties, issues, profits, revenue, income and other benefits of the Mortgaged Property (the "Rates") and all leases of the Mortgaged Property or portions thereof now or hereafter entered into and all right, title and interest of Mortgagor thereunder, including, without limitation, cash or securities deposited thereunder to secure performance by the lessees of their obligations thereunder, whether such cash or securities are to be held until the expiration of the terms of such leases or applied to one or more of the instalments of rent coming due immediately prior to the expiration of such terms, including any guarantees of such leases, all subject, however, to the provisions of Section 3.01 hereof; and

(111) the Chateaus;

(11) the Improvements;

(1) the Premises;

NOW, THEREFORE, Mortgagor, in consideration of the premises and in order to secure the payment of both the principal of, and the interest and any other sums payable on, the Note or this Mortgage and the performance and observance of all the provisions hereof and of the Note, hereby gives, grants, bargains, sells, warrants, aliens, remises, releases, conveys, assigns, transfers, mortgages, hypothecates, deposits, pledges, sets over and confirms unto Mortgagee, all its estate, right, title and interest in, to and under any and all of the following described property (the "Mortgaged Property") whether now owned or held or hereafter acquired:

GRANTING CLAUSE

All terms of this Mortgage which are not defined above shall have the meaning set forth elsewhere in this Mortgage.

"Involuntary Rate" means the rate (or, if more than one, the highest of the rates) of interest per annum provided in the Note plus 1-1/2%, but in no event to exceed the maximum rate allowed by law.

"Premises" means the premises described in Schedule A hereto including all of the easements, rights, privileges and appurtenances (including air rights) thereunto belonging or in anywise appertaining, and all of the estate, right, title, interest, claim or demand whatsoever of Mortgagor therein and in the streets and ways adjacent thereto, either in law or in equity, in possession or expectancy, now or hereafter acquired, and as used in this Mortgage, shall, unless the context otherwise requires, be deemed to include the Improvements.

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SECTION 1.02. (a) Mortgagor will, at its sole cost and expense, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as Mortgagee shall from time to time require,

(b) Mortgagor represents and warrants that (i) the premises and the improvements thereon, and, to the best of Mortgagor's knowledge, the surrounding areas, are not currently and have never been subject to hazardous or toxic substances or wastes or their effects and (ii) there are no claims, litigation, administrative or other proceedings, whether actual or threatened, or judgments or orders, relating to any hazardous or toxic substances or wastes, discharges, emissions or other forms of pollution relating in any way to the premises or the improvements thereto.

SECTION 1.01. (a) Mortgagor warrants that it has a good and marketable title to an indefeasible fee estate in the premises subject to no lien, charge or encumbrance except such as are listed as exceptions to title in the title policy insuring the lien of this mortgage; that it owns the Chateaus, all leases and the Rents in respect of the mortgaged property and all other personal property encumbered hereby free and clear of liens and claims; and that this mortgage is and will remain a valid and enforceable lien on the mortgaged property subject only to the exceptions referred to above. Mortgagor has full power and lawful authority to mortgage the mortgaged property in the manner and form herein done or intended hereafter to be done. Mortgagor will preserve such title, and will forever warrant and defend the same to Mortgagee and will forever warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whatsoever.

Mortgagor covenants and agrees as follows:

PARTICULAR COVENANTS OF MORTGAGOR

ARTICLE I

TO HAVE AND TO HOLD unto Mortgagee, its successors and assigns forever.

(v) All proceeds of the conversion, voluntary, involuntary or condemnation awards, and all rights of Mortgagee to refunds of real estate taxes and assessments.

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(b) Mortgagor will pay all filing, registration or recording fees, and all expenses incident to the execution and acknowledgment of this mortgage, any mortgage supplemental hereto, any security instrument with respect to the Chateaus, and any instrument of further assurance, and any expenses (including attorneys' fees and disbursements) incurred by Mortgagor in connection with the loan secured hereby, and will pay all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Note, this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Chateaus or any instrument of further assurance.

SECTION 1.03. (a) Mortgagor forthwith upon the execution and delivery of this Mortgage, and thereafter from time to time, will cause this Mortgage and any security instrument creating a lien or evidencing the lien hereof upon the Chateaus and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, and the interest of Mortgagor in, the Mortgaged Property.

(b) Mortgagor will, at its sole cost and expense, do, execute, acknowledge and deliver all and every such acts, information reports, returns and withholding of monies as shall be necessary or appropriate to comply fully or to cause full compliance, with all applicable information reporting and back-up withholding requirements of the Internal Revenue Code of 1986, as amended (including all regulations promulgated thereunder) in respect of the premises and all transactions related to the premises, and will at all times provide Mortgagor with satisfactory evidence of such compliance and notify Mortgagor of the information reported in connection with such compliance.

For the better assuring, conveying, assigning, transferring and confirming unto Mortgagor the property and rights hereby conveyed or assigned or intended now or hereafter so to be, or which Mortgagor may be or may hereafter become bound to convey or assign to Mortgagor, or for carrying out the intention or facilitating the performance of the terms of this Mortgage, or for filing, registering or recording this Mortgage and, on demand, will execute and deliver, and hereby authorizes Mortgagor to execute and file in Mortgagor's name, to the extent it may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments, to evidence or perfect more effectively Mortgagor's security interest in and the lien hereof upon the Chateaus and other personal property encumbered hereby.

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SECTION 1.04. Mortgagor will punctually pay the principal and interest and all other sums to become due in respect of the Note at the time and place and in the manner specified in the Note, according to the true intent and meaning thereof, all in any coin or currency of the United States of America which at the time of such payment shall be legal tender for the payment of public and private debts.

SECTION 1.05. Mortgagor, if other than a natural person, will, so long as it is owner of all or part of the mortgaged property, do all things necessary to preserve and keep in full force and effect its existence, franchises, rights and privileges as a business or stock corporation, partnership, trust or other entity under the laws of the state of its formation and will comply with all regulations, rules, statutes, orders and decrees of any governmental authority or court applicable to it or to the mortgaged property or any part thereof.

SECTION 1.06. All right, title and interest of Mortgagor in and to all extensions, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the mortgaged property, heretofore acquired by, or released to, Mortgagor or constructed, assembled or placed by Mortgagor on the premises, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case, without any further mortgage, conveyance, assignment or other act by Mortgagor, shall become subject to the lien of this mortgage as fully and completely, and with the same effect, as though now owned by Mortgagor and specifically described in the granting clause hereof, but at any and all times Mortgagor will execute and deliver to Mortgagee any and all such further assurances, mortgages, conveyances or assignments thereof as Mortgagee may reasonably require for the purpose of expressly and specifically subjecting the same to the lien of this mortgage.

SECTION 1.07. (a) Mortgagor, from time to time when the same shall become due and payable, will pay and discharge all taxes of every kind and nature (including real and personal property taxes and income, franchise, withholding, profits and gross receipts taxes), all general and special assessments, levies, permits, inspection and license fees, all water and sewer rents and charges, and all other public charges, whether of a like or different nature, imposed upon or assessed against it or the mortgaged property or any part thereof or upon the revenues, rents, issues, income and profits of the mortgaged property or arising in respect of the occupancy, use or possession thereof. Mortgagor will, upon Mortgagee's request, deliver to Mortgagee receipts evidencing the payment of all such taxes, assessments, levies, fees, rents and other public charges imposed upon or assessed against it or the mortgaged property or the revenues, rents, issues, income or profits thereof.

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Mortgagee may, at its option, to be exercised by thirty (30) days' written notice to Mortgagee, require the deposit by Mortgagee, at the time of each payment of an installment of interest or principal under the Note, of an additional amount sufficient to discharge the obligations under this clause (a) when they become due. The determination of the amount so payable and of the fractional part thereof to be deposited with Mortgagee, so that the aggregate of such deposits shall be sufficient for this purpose, shall be made by Mortgagee in its sole discretion. Such amounts shall be held by Mortgagee without interest and applied to the payment of the obligations in respect of which such amounts were deposited or, at Mortgagee's option, to the payment of said obligations in such order or priority as Mortgagee shall determine, on or before the respective dates on which the same or any of them would become delinquent. If one month prior to the due date of any of the aforementioned obligations the amounts then on deposit therefor shall be insufficient for the payment of such obligation in full, Mortgagee within ten (10) days after demand shall deposit the amount of the deficiency with Mortgagee. Nothing herein contained shall be deemed to affect any right or remedy of Mortgagee under any provisions of this Mortgage or of any statute or rule of law to pay any such amount and to add the amount so paid, together with interest at the involuntary rate, to the indebtedness hereby secured.

(b) Mortgagee will pay, from time to time when the same shall become due, all lawful claims and demands of mechanics, materialmen, laborers, and others which, if unpaid, might result in, or permit the creation of, a lien on the mortgaged property or any part thereof, or on the revenues, rents, issues, income and profits arising therefrom and in general will do or cause to be done everything necessary so that the lien hereof shall be fully preserved, at the cost of Mortgagee and without expense to Mortgagee.

(c) Nothing in this Section 1.07 shall require the payment or discharge of any obligation imposed upon Mortgagee by this Section so long as Mortgagee shall in good faith and at its own expense contest the same or the validity thereof by appropriate legal proceedings which shall operate to prevent the collection thereof or other realization thereon and the sale or forfeiture of the mortgaged property or any part thereof to satisfy the same; provided that during such contest Mortgagee shall, at the option of Mortgagee, provide security, satisfactory to Mortgagee, assuring the discharge of Mortgagee's obligation hereunder and of any additional charge, penalty or expense arising from or incurred as a result of such contest; and provided further, that if at any time payment of any obligation imposed upon Mortgagee by clause (a) above shall become necessary to prevent the delivery of a tax deed conveying the mortgaged property or any portion thereof because of non-payment, then Mortgagee shall pay the same in sufficient time to prevent the delivery of such tax deed.

1. Following an event of default hereunder,

2. which security may include a bond in form and in an amount and with companies satisfactory in all respects to Mortgagee, in the case of any mechanics, liens,

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1. \$100,000
2. See Rider 7A.

SECTION 1.10. If Mortgagor shall fail to perform any of the covenants contained in Section 1.01, 1.03, 1.07, 1.08, 1.09 or 1.12, Mortgagor may make advances to perform the same on its behalf, and all sums so advanced shall be a lien upon the Mortgaged Property and shall be secured hereby. Mortgagor will repay on demand all sums so advanced on its behalf together with interest thereon at the Involuntary Rate. The provisions of this Section 1.10 shall not prevent any default in the observance of any covenant contained in said Section 1.01, 1.03, 1.07, 1.08, 1.09 or 1.12 from constituting an Event of Default.

(c) If the Premises are located in an area which has been identified by the Secretary of the United States Department of Housing and Urban Development as a flood hazard area, Mortgagor will keep the improvements covered, until all sums secured hereby have been repaid in full, by flood insurance in an amount at least equal to the full amount of the Note or the maximum limit of coverage available for the Premises under the National Flood Insurance Act of 1968, whichever is less.

(b) Mortgagor shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained under this Section 1.09 unless Mortgagor is included thereon as a named insured with loss payable to Mortgagor under a standard mortgage endorsement of the character above described. Mortgagor shall immediately notify Mortgagor whenever any such separate insurance is taken out and shall promptly deliver to Mortgagor the policy or policies of such insurance.

SECTION 1.09. (a) Mortgagor will keep the improvements and chattels insured against loss by fire, casualty and such other hazards as may be specified by Mortgagor for the benefit of Mortgagor. Such insurance shall be written in forms, amounts, and by companies satisfactory to Mortgagor, and losses thereunder shall be payable to Mortgagor pursuant to a standard first mortgage endorsement substantially equivalent to the New York standard mortgage endorsement. The policy or policies of such insurance shall be delivered to Mortgagor. Mortgagor shall give Mortgagor prompt notice of any loss covered by such insurance and Mortgagor shall have the right to join Mortgagor in adjusting any loss in excess of \$50,000. Any moneys received as payment for any loss under any such insurance shall be paid over to Mortgagor to be applied, at Mortgagor's option, either to the prepayment of the Note or to the reimbursement of Mortgagor from time to time for expenses incurred by it in the restoration of the improvements.

SECTION 1.08. Mortgagor will pay any taxes, except income taxes, imposed on Mortgagor by reason of its ownership of the Note or this Mortgage.

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Notwithstanding the provisions of the immediately preceding sentence, provided no default exists hereunder, Mortgagee agrees to apply any such proceeds received by it to the reimbursement of Mortgagee's costs of restoring the improvements. Advances of insurance proceeds shall be made to Mortgagee in the same manner and subject to the same conditions as advances of building loan proceeds are made under the building loan agreement, or if this Mortgage is not a building loan mortgage, in accordance with Mortgagee's standard construction lending practices; amounts not required for such purposes shall be applied, at Mortgagee's option, to the payment of the Note and to interest accrued and unpaid thereon in such order and proportions as Mortgagee may elect. In no event shall Mortgagee be required to advance such proceeds to Mortgagee unless Mortgagee shall have (i) received satisfactory evidence that the funding/expiration dates of the commitment, if any, for the permanent financing of the improvements have been extended for such period of time as is reasonably necessary to complete said restoration and (ii) reasonably determined that the restoration of the improvements can be completed by the then maturity date of the Note at a cost which does not exceed the amount of available insurance proceeds or, in the event that such proceeds are reasonably determined by Mortgagee to be inadequate, Mortgagee shall have received from Mortgagee a cash deposit equal to the excess of said estimated cost of restoration over the amount of said available proceeds. If the conditions for the advance of insurance proceeds for restoration set forth in clauses (i) and (ii) above are not satisfied within sixty (60) days of Mortgagee's receipt thereof or if the actual restoration shall not have been commenced within such period, Mortgagee shall have the option at any time thereafter to apply such insurance proceeds to the payment of the Note and to interest accrued and unpaid thereon in such order and proportions as Mortgagee may elect.

Section 1.09(a) continued

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1. business
2. business

SECTION 1.12. (a) Mortgagor will not commit any waste on the premises or make any change in the use of the premises which will in any way increase any ordinary fire or other hazard arising out of construction or operation. Mortgagor will, at all times, maintain the improvements and Chateaus in good operating order and condition and will promptly make, from time to time, all repairs, renewals, replacements, additions and improvements in connection therewith which are needed or desirable to such end. The improvements shall not be demolished or

defenses exist against the indebtedness secured hereby. (b) Mortgagor will, within five (5) days upon request by mail, furnish a written statement, duly acknowledged, of the amount due whether for principal or interest on this Mortgage and whether any offsets, counterclaims or (c) Mortgagor, within three (3) days upon request in person or

to be fulfilled on or prior to the date of such certificate. fulfilled all of its obligations under this Mortgage which are required thereto, and, except as otherwise specified, stating that Mortgagor has what action Mortgagor has taken or proposes to take with respect continuing, specifying the nature and period of existence thereof and or, if any such event or event of Default has occurred and is constitute an Event of Default, which has occurred and is continuing, nor of any event which after notice or lapse of time or both would statements to Mortgages, stating that he knows of no event of Default, of Mortgagor, dated within five (5) days of the delivery of such financial or accounting officer or general partner, as the case may be, of Mortgagor, shall be accompanied by the certificate of a principal accounting principles, shall be delivered in duplicate and, in the case Guarantor shall be prepared in accordance with generally accepted request from time to time. All financial statements of Mortgagor or with respect to Mortgagor or Guarantor as Mortgages may reasonably reasonable promptness, will deliver to Mortgages such other information Throughout the term of this Mortgage, Mortgagor and Guarantor, with in each case, in comparative form, figures for the preceding year. balance sheet and statement of profit, loss and cash flow setting forth reasonable promptness after the close of their respective fiscal years a (b) Mortgagor and Guarantor will deliver to Mortgages with

SECTION 1.11. (a) Mortgagor will keep adequate records and books of account in accordance with generally accepted accounting principles and will permit Mortgages, by its agents, accountants and attorneys, to visit and inspect the Mortgaged Property and examine its records and books of account and to discuss its affairs, finances and accounts with the officers or general partners, as the case may be, of Mortgagor, at such reasonable times as may be requested by Mortgages.

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1. reasonable
2. more than one month in advance

of this mortgage.

SECTION 1.14. (a) Mortgagor will not (i) execute an assignment of the rents or any part thereof from the premises without Mortgagee's prior written consent, (ii) except where the lessee is in default thereunder, terminate or consent to the cancellation or surrender of any lease of the premises or of any part thereof, no existing or hereafter to be made, having an unexpired term of one (1) year or more, provided, however, that any lease may be cancelled if promptly after the cancellation or surrender thereof a new lease is entered into with a new lessee having a credit standing, in the judgment of Mortgagee, at least equivalent to that of the lessee whose lease was cancelled, on substantially the same terms as the terminated or cancelled lease, (iii) modify any such lease so as to shorten the unexpired term thereof or so as to decrease, waive or compromise in any manner the amount of the rents payable thereunder or materially expand the obligations of the lessor thereunder, (iv) accept prepayments of any installments of rents due under such leases, except prepayments in the nature of security for the performance of the lessees thereunder, (v) modify, release or terminate any guaranties of any such lease or (vi) in any other manner impair the value of the mortgaged property or the security

SECTION 1.13. Mortgagor, immediately upon obtaining knowledge of the institution or pending institution of any proceedings for the condemnation of the premises or any portion thereof, will notify Mortgagee thereof. Mortgagee may participate in any such proceedings and may be represented therein by counsel of its selection. Mortgagor from time to time will deliver to Mortgagee all instruments requested by it to permit or facilitate such participation. In the event of such condemnation proceedings, the award or compensation payable is hereby assigned to and shall be paid to Mortgagee. Mortgagee shall be under no obligation to question the amount of any such award or compensation and may accept the same in the amount in which the same shall be paid. The proceeds of any award or compensation so received shall, at Mortgagee's option, be applied either to the prepayment of the Note at the rate of interest provided therein regardless of the rate of interest payable on the award by the condemning authority, or shall be paid over to Mortgagor from time to time for restoration of the improvements.

(b) Mortgagor will, at its sole cost and expense, promptly remove, or cause the removal of, any and all hazardous or toxic substances or wastes or the effects thereof at any time identified as being on, in, under or affecting the premises.

substantially altered, nor shall any Chateaus be removed without the prior written consent of Mortgagee except where appropriate replacements free of superior title, liens and claims are immediately made of value at least equal to the value of the removed Chateaus.

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1. entered into after the date hereof

SECTION 1.15. Mortgagor will receive the advances secured by this Mortgage and will hold the right to receive such advances as a trust fund to be applied first for the purpose of paying the cost of

(d) Mortgagor shall furnish to Mortgagee, within thirty (30) days after a request by Mortgagee, a written statement containing the names of all lessees of the Premises, the terms of their respective leases, the space occupied and the rentals payable thereunder, together with copies, certified to be true and complete, of such leases as shall be specified by Mortgagee.

To the extent that any part of the Premises is located in the State of New York, reference is hereby made to Section 291-E of the Real Property Law of the State of New York for the purpose of obtaining for Mortgagee the benefits of said Section in connection with this Mortgage.

(c) Each lease of the Premises, or of any part thereof, shall provide that, in the event of the enforcement by Mortgagee of the remedies provided for by law or by this Mortgage, the lessee thereunder will, upon request of any person succeeding to the interest of Mortgagee as a result of such enforcement, automatically become the lessee of said successor in interest, without change in the terms or other provisions of such lease, provided, however, that said successor in interest shall not be bound by (1) any payment of rent or additional rent for more than one (1) month in advance, except prepayments in the nature of security for the performance by said lessee of its obligations under said lease or (2) any amendment or modification of the lease made without the consent of Mortgagee or such successor in interest. Each lease shall also provide that, upon request by said successor in interest, such lessee shall execute and deliver an instrument or instruments confirming such attornment.

(b) Mortgagor will not execute any lease of all or a substantial portion of the Premises except for actual occupancy by the lessee thereunder, and will at all times promptly and faithfully perform, or cause to be performed, all of the covenants, conditions and agreements contained in all leases of the Premises or portions thereof now or hereafter existing, on the part of the lessor thereunder to be kept and performed and will at all times do all things necessary to compel performance by the lessee under each lease of all obligations, covenants and agreements by such lessee to be performed thereunder. If any of such leases provide for the giving by the lessee of certificates with respect to the status of such leases, Mortgagor shall exercise its right to request such certificates within five (5) days of any demand therefor by Mortgagee.

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improvement and will apply the same first to the payment of such costs before using any part of the total of the same for any other purpose and, in the event all or any part of the Premises is located in the State of New York, will comply with Section 13 of the New York Lien Law. Mortgagor will indemnify and hold Mortgagee harmless against any loss or liability, cost or expense, including, without limitation, any judgments, attorney's fees, costs of appeal bonds and printing costs, arising out of or relating to any proceeding instituted by any claimant alleging a violation by Mortgagor of any applicable lien law including, without limitation, any section of Article 3-A of the New York Lien Law.

ARTICLE II

EVENTS OF DEFAULT AND REMEDIES

SECTION 2.01. If one or more of the following Events of Default shall happen, that is to say:

(a) if (i) default shall be made in the payment of any principal, interest or other sums under the Note, in any such case, when and as the same shall become due and payable, whether at maturity or by acceleration or as part of any payment or prepayment or otherwise, in each case, as in the Note and this Mortgage provided and such default shall have continued for a period of ten (10) days or (ii) default shall be made in the payment of any tax required by Section 1.07 to be paid and said default shall have continued for a period of twenty (20) days; or

(b) if default shall be made in the due observance or performance of any covenant or agreement on the part of Mortgagor contained in Section 1.01, 1.03, 1.08 or 1.09, and such default shall have continued for a period of ~~twenty (20)~~ days after notice thereof shall have been given to Mortgagor by Mortgagee. For the purposes of this clause if any representation made in Section 1.01 hereof shall be incorrect, it shall be deemed to be a default; or

(c) if default shall be made in the due observance or performance of any other covenant, condition or agreement in the Note, this Mortgage, any guaranty executed by Guarantor or in any other document executed or delivered to Mortgagee in connection with the loan secured hereby, and such default shall have continued for a period of thirty (30) days after notice thereof shall have been given to Mortgagor by Mortgagee, or, in the case of such other documents, such shorter grace period, if any, as may be provided for therein; or

1. thirty (30)

2. , or if such default cannot be cured in thirty (30) days or such shorter time period and Mortgagor shall not within such period commence with due diligence and dispatch the curing of such default, or if Mortgagor shall, within such period, commence with due diligence and dispatch the curing of such default and shall thereafter fail or neglect to prosecute and complete with due diligence and dispatch and, in any event, such default must be cured within sixty (60) days

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(d) if by order of a court of competent jurisdiction, a trustee, receiver or liquidator of the Mortgaged Property or any part thereof, or of Mortgagor shall be appointed and such order shall not be discharged or dismissed within sixty (60) days after such appointment; or

(e) if Mortgagor shall file a petition in bankruptcy or for an arrangement or for reorganization pursuant to the Federal Bankruptcy Act or any similar law, federal or state, or if, by decree of a court of competent jurisdiction, Mortgagor shall be adjudicated a bankrupt, or be declared insolvent, or shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or receivers of all or any part of its property; or

(f) if any of the creditors of Mortgagor shall file a petition in bankruptcy against Mortgagor or for reorganization of Mortgagor pursuant to the Federal Bankruptcy Act or any similar law, federal or state, and if such petition shall not be discharged or dismissed within sixty (60) days after the date on which such petition was filed; or

(g) if final judgment for the payment of money shall be rendered against Mortgagor and Mortgagor shall not discharge the same or cause it to be discharged within sixty (60) days from the entry thereof, or shall not appeal therefrom or from the order, decree or process upon which or pursuant to which said judgment was granted, based or entered, and secure a stay of execution pending such appeal; or

(h) if any of the events enumerated in clauses (d) through (g) of this Section 2.01 shall happen to Guarantor or any of its property; or

(i) if it shall be illegal for Mortgagor to pay any tax referred to in Section 1.08 hereof or if the payment of such tax by Mortgagor would result in the violation of applicable usury laws; or

(j) if there should occur a default which is not cured within the applicable grace period, if any, under any other mortgage or deed of trust of all or part of the Mortgaged Property regardless of whether any such other mortgage or deed of trust is prior or subordinate to this Mortgage; it being further agreed by Mortgagor

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that an Event of Default hereunder shall constitute an Event of Default under any such other mortgage or deed of trust held by Mortgagee; or

(k) if Mortgagor shall transfer, or agree to transfer, in any manner, either voluntarily or involuntarily, by operation of law or otherwise, all or any portion of the Mortgaged Property, or any interest therein (including any air or development rights) without, in any such case, the prior written consent of Mortgagee. Mortgagee may grant or deny such consent in its sole discretion and, if consent should be given, any such transfer shall be subject to this Mortgage and any other documents which evidence or secure the loan secured hereby, and any such transferee shall assume all of Mortgagor's obligations hereunder and thereunder and agree to be bound by all provisions and perform all obligations contained herein and therein. Consent to one such transfer shall not be deemed to be a waiver of the right to require consent to future or successive transfers. As used herein "transfer" shall include, without limitation, any sale, assignment, lease or conveyance except lease for occupancy subordinate to this Mortgage and to all advances made and to be made hereunder or, in the event Mortgagor or Guarantor (or a general partner or co-venturer of either of them) is a partnership, joint venture, trust or closely-held corporation, the sale, conveyance, transfer or other disposition of more than ten percent (10%) of any class of the issued and outstanding capital stock of such closely-held corporation or of the beneficial interest of such partnership, venture or trust, or a change of any general partner or any joint venturer, either voluntarily, involuntarily, or otherwise, or in the event Mortgagor or Guarantor (or a general partner or co-venturer of either of them) is a publicly-held corporation, the sale, conveyance, transfer or other disposition of more than 10% of the stock-holdings of any of the Major Shareholders. For purposes of this clause (k), "Major Shareholders" shall mean those five individuals or entities that own the greatest number of shares of each class of stock issued and outstanding of the corporation. In the event Mortgagor or Guarantor is a limited partnership, and so long as a limited partner has contributed to (or remains personally liable for) the partnership capital contributions (present and future) required of such limited partner by the limited partnership agreement, such limited partner may sell, convey, devise, transfer or dispose of all or a part of his limited partnership interest to his spouse, children, grandchildren or a family trust in which his spouse, children or grandchildren are sole beneficiaries; or

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(1) if Mortgagor shall encumber, or agree to encumber, in any manner, either voluntarily or involuntarily, by operation of law or otherwise, all or any portion of the Mortgaged Property, or any interest therein (including any air or development rights) without, in any such case, the prior written consent of Mortgagee. Mortgagee may grant or deny such consent in its sole discretion and, if consent should be given, any such encumbrance shall be subject to this Mortgage and any other documents which evidence or secure the loan secured hereby. Consent to one such encumbrance shall not be deemed to be a waiver of the right to require consent to future or successive encumbrances. As used herein "encumber" shall include, without limitation, the placing or permitting the placing of any mortgage, deed of trust, assignment of rents or other security device;

then and in every such case:

I. During the continuance of any such Event of Default, Mortgagee, by notice given to Mortgagor, may declare the entire principal of the Note then outstanding (if not then due and payable), and all accrued and unpaid interest thereon, to be due and payable immediately, and upon any such declaration the principal of the Note and said accrued and unpaid interest shall become and be immediately due and payable, anything in the Note or in this Mortgage to the contrary notwithstanding.

II. During the continuance of any such Event of Default, Mortgagee personally, or by its agents or attorneys, may enter into and upon all or any part of the Premises, and each and every part thereof, and is hereby given a right and license and appointed Mortgagor's attorney-in-fact to do so, and may exclude Mortgagor, its agents and servants wholly therefrom; and having and holding the same, may use, operate, manage and control the Premises and conduct the business thereof, either personally or by its superintendents, managers, agents, servants, attorneys or receivers; and upon every such entry, Mortgagee, at the expense of the Mortgaged Property, from time to time, either by purchase, repairs or construction, may maintain and restore the Mortgaged Property, whereof it shall become possessed as aforesaid; and likewise, from time to time, at the expense of the Mortgaged Property, Mortgagee may make all necessary or proper repairs, renewals and replacements and such useful alterations, additions, betterments and improvements thereto and thereon as to it may seem advisable; and in every such case Mortgagee shall have the right to manage and operate the Mortgaged Property and to carry on the

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business thereof and exercise all rights and powers of Mortgagor with respect thereto either in the name of Mortgagor or otherwise as it shall deem best; and Mortgagee shall be entitled to collect and receive the Rents and every part thereof, all of which shall for all purposes constitute property of Mortgagor; and in furtherance of such right Mortgagee may collect the rents payable under all leases of the Premises directly from the lessees thereunder upon notice to each such lessee that an Event of Default exists hereunder accompanied by a demand on such lessee for the payment to Mortgagee of all rents due and to become due under its lease, and Mortgagor FOR THE BENEFIT OF MORTGAGEE AND EACH SUCH LESSEE hereby covenants and agrees that the lessee shall be under no duty to question the accuracy of Mortgagee's statement of default and shall unequivocally be authorized to pay said rents to Mortgagee without regard to the truth of Mortgagee's statement of default and notwithstanding notices from Mortgagor disputing the existence of an Event of Default such that the payment of rent by the lessee to Mortgagee pursuant to such a demand shall constitute performance in full of the lessee's obligation under the lease for the payment of rents by the lessee to Mortgagor; and after deducting the expenses of conducting the business thereof and of all maintenance, repairs, renewals, replacements, alterations, additions, betterments and improvements and amounts necessary to pay for taxes, assessments, insurance and prior or other proper charges upon the Mortgaged Property or any part thereof, as well as just and reasonable compensation for the services of Mortgagee and for all attorneys, counsel, agents, clerks, servants and other employees by it engaged and employed, Mortgagee shall apply the moneys arising as aforesaid, first, to the payment of the principal of the Note and the interest thereon, when and as the same shall become payable and second, to the payment of any other sums required to be paid by Mortgagor under this Mortgage.

III. Mortgagee, with or without entry, personally or by its agents or attorneys, insofar as applicable, may:

(1) sell the Mortgaged Property to the extent permitted and pursuant to the procedures provided by law, and all estate, right, title and interest, claim and demand therein, and right of redemption thereof, at one or more sales as an entity or in parcels or parts, and at such time and place upon such terms and after such notice thereof as may be required or permitted by law; or

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(2) institute proceedings for the complete or partial foreclosure of this Mortgage; or

(3) take such steps to protect and enforce its rights whether by action, suit or proceeding in equity or at law for the specific performance of any covenant, condition or agreement in the Note or in this Mortgage, or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy or otherwise as Mortgagee shall elect.

SECTION 2.02. (a) Mortgagee may adjourn from time to time any sale by it to be made under or by virtue of this Mortgage by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, except as otherwise provided by any applicable provision of law, Mortgagee, without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.

(b) Upon the completion of any sale or sales made by Mortgagee under or by virtue of this Article II, Mortgagee, or an officer of any court empowered to do so, shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument or instruments conveying, assigning and transferring all estate, right, title and interest in and to the property and rights sold. Mortgagee is hereby appointed the true and lawful attorney irrevocable of Mortgagor, in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Mortgaged Property and rights so sold and for that purpose Mortgagee may execute all necessary instruments of conveyance, assignment and transfer, and may substitute one or more persons with like power, Mortgagor hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Nevertheless, Mortgagor, if requested by Mortgagee, shall ratify and confirm any such sale or sales by executing and delivering to Mortgagee or to such purchaser or purchasers all such instruments as may be advisable, in the judgment of Mortgagee, for the purpose, and as may be designated in such request. Any such sale or sales made under or by virtue of this Article II, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of Mortgagor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against Mortgagor and against any and all persons claiming or who may claim the same, or any part thereof from, through or under Mortgagor.

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(c) In the event of any sale or sales made under or by virtue of this Article II (whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale), the entire principal of, and interest on, the Note, if not previously due and payable, and all other sums required to be paid by Mortgagor pursuant to this Mortgage, immediately thereupon shall, anything in the Note or in this Mortgage to the contrary notwithstanding, become due and payable.

(d) The purchase money, proceeds or avails of any sale or sales made under or by virtue of this Article II, together with any other sums which then may be held by Mortgagee under this Mortgage, whether under the provisions of this Article II or otherwise, shall be applied as follows.

First: To the payment of the costs and expenses of such sale, including reasonable compensation to Mortgagee, its agents and counsel, and of any judicial proceedings wherein the same may be made, and of all expenses, liabilities and advances made or incurred by Mortgagee under this Mortgage, together with interest at the Involuntary Rate on all advances made by Mortgagee, and of all taxes, assessments or other charges, except any taxes, assessments or other charges subject to which the Mortgaged Property shall have been sold.

Second: To the payment of the whole amount then due, owing or unpaid upon the Note for principal and interest, with interest on the unpaid principal at the Involuntary Rate from and after the happening of any Event of Default described in clause (a) of Section 2.01 hereof from the due date of any such payment of principal until the same is paid.

Third: To the payment of any other sums required to be paid by Mortgagor pursuant to any provision of this Mortgage or of the Note.

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

(e) Upon any sale or sales made under or by virtue of this Article II, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Mortgagee may bid for and acquire the Mortgaged Property or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the indebtedness secured by this Mortgage the net sales price after deducting therefrom the expenses of the sale and the costs of the action and any other sums which Mortgagee is authorized to deduct under this Mortgage.

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SECTION 2.03. (a) In case an Event of Default described in clause (a) of Section 2.01 hereof shall have happened and be continuing, then, upon written demand of Mortgagee, Mortgagor will pay to Mortgagee the whole amount which then shall have become due and payable on the Note, for principal or interest or both, as the case may be, and after the happening of said Event of Default will also pay to Mortgagee interest at the Involuntary Rate on the then unpaid principal of the Note, and the sums required to be paid by Mortgagor pursuant to any provision of this Mortgage, and in addition thereto such further amount as shall be sufficient to cover the costs and expenses of collection, including reasonable compensation to Mortgagee, its agents and counsel and any expenses incurred by Mortgagee hereunder. In the event Mortgagor shall fail forthwith to pay such amounts upon such demand, Mortgagee shall be entitled and empowered to institute such action or proceedings at law or in equity as may be advised by its counsel for the collection of the sums so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against Mortgagor and collect, out of the property of Mortgagor wherever situated, as well as out of the Mortgaged Property, in any manner provided by law, moneys adjudged or decreed to be payable.

(b) Mortgagee shall be entitled to recover judgment as aforesaid either before, after or during the pendency of any proceedings for the enforcement of the provisions of this Mortgage; and the right of Mortgagee to recover such judgment shall not be affected by any entry or sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the provisions of this Mortgage, or the foreclosure of the lien hereof; and in the event of a sale of the Mortgaged Property, and of the application of the proceeds of sale, as in this Mortgage provided, to the payment of the debt hereby secured, Mortgagee shall be entitled to enforce payment of, and to receive all amounts then remaining due and unpaid upon the Note, and to enforce payment of all other charges, payments and costs due under this Mortgage, and shall be entitled to recover judgment for any portion of the debt remaining unpaid, with interest at the Involuntary Rate. In case of proceedings against Mortgagor in insolvency or bankruptcy or any proceedings for its reorganization or involving the liquidation of its assets, then Mortgagee shall be entitled to prove the whole amount of principal and interest due upon the Note to the full amount thereof, and all other payments, charges and costs due under this Mortgage, without deducting therefrom any proceeds obtained from the sale of the whole or any part of the Mortgaged Property, provided, however, that in no case shall Mortgagee receive a greater amount than such principal and interest and such other payments, charges and costs from the aggregate amount of the proceeds of the sale of the Mortgaged Property and the distribution from the estate of Mortgagor.

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(c) No recovery of any judgment by Mortgagee and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of Mortgagor shall affect in any manner or to any extent, the lien of this Mortgage upon the Mortgaged Property or any part thereof, or any liens, rights, powers or remedies of Mortgagee hereunder, but such liens, rights, powers and remedies of Mortgagee shall continue unimpaired as before.

(d) Any moneys thus collected by Mortgagee under this Section 2.03 shall be applied by Mortgagee in accordance with the provisions of clause (d) of Section 2.02 hereof.

SECTION 2.04. After the happening of any Event of Default and immediately upon the commencement of any action, suit or other legal proceedings by Mortgagee to obtain judgment for the principal of, or interest on, the Note and other sums required to be paid by Mortgagor pursuant to any provision of this Mortgage, or of any other nature in aid of the enforcement of the Note or of this Mortgage, Mortgagor will (a) waive the issuance and service of process and enter its voluntary appearance in such action, suit or proceeding and (b) if required by Mortgagee, consent to the appointment of a receiver or receivers of all or part of the Mortgaged Property and of any or all of the Rents in respect thereof. After the happening of any Event of Default and during its continuance, or upon the commencement of any proceedings to foreclose this Mortgage or to enforce the specific performance hereof or in aid thereof or upon the commencement of any other judicial proceeding to enforce any right of Mortgagee, Mortgagee shall be entitled, as a matter of right, if it shall so elect, without the giving of notice to any other party and without regard to the adequacy or inadequacy of any security for the indebtedness secured hereby, forthwith either before or after declaring the unpaid principal of the Note to be due and payable, to the appointment of such a receiver or receivers.

SECTION 2.05. Notwithstanding the appointment of any receiver, liquidator or trustee of Mortgagor, or of any of its property, or of the Mortgaged Property or any part thereof, Mortgagee shall be entitled to retain possession and control of all property now or hereafter held under this Mortgage.

SECTION 2.06. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of Mortgagee to exercise any right or power accruing upon any Event of Default shall impair any such right or power, or shall be construed to be a waiver of any such Event of Default or any acquiescence therein;

1. See Rider 19A.

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RIDER 19A

Such appointment may be made either before or after any foreclosure sale without regard to the solvency or insolvency of Mortgagor or Borrower at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not and Mortgagee may be appointed as such receiver. Such receiver shall have power: (a) to collect the rents, issues and profits of the Premises and, in case of a foreclosure sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor or Borrower, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, (b) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the indebtedness secured hereby and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and Borrower and all persons whose interests in the Mortgaged Property are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the indebtedness secured hereby, satisfaction of any foreclosure decree or issuance of any certificate of sale or deed to any purchaser and (c) all other powers which may be necessary or are usual in such case, for the protection, possession, control, management and operation of the Mortgaged Property during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the indebtedness secured hereby, or by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale, (b) and if this is a leasehold mortgage, all rents due or which may become due under the underlying lease and (c) the deficiency in case of a foreclosure sale and deficiency.

(END OF RIDER 19A)

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and every power and remedy given by this Mortgage to Mortgagee may be exercised from time to time as often as may be deemed expedient by Mortgagee. Nothing in this Mortgage or in the Note shall affect the obligation of Mortgagor to pay the principal of, and interest on, the Note in the manner and at the time and place therein respectively expressed.

SECTION 2.07. Mortgagor will not at any time insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of any stay or extension or moratorium law, any exemption from execution or sale of the Mortgaged Property or any part thereof, wherever enacted, now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage, nor claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisal of the Mortgaged Property, or any part thereof, prior to any sale or sales thereof which may be made pursuant to any provision herein, or pursuant to the decree, judgment or order of any court of competent jurisdiction; nor, after any such sale or sales, claim or exercise any right under any statute heretofore or hereafter enacted to redeem the property so sold or any part thereof and Mortgagor hereby expressly waives all benefit or advantage of any such law or laws, and covenants not to hinder, delay or impede the execution of any power herein granted or delegated to Mortgagee, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted. Mortgagor, for itself and all who may claim under it, waives, to the extent that it lawfully may, all right to have the Mortgaged Property marshaled upon any foreclosure hereof.¹

SECTION 2.08. During the continuance of any Event of Default and pending the exercise by Mortgagee of its right to exclude Mortgagor from all or any part of the Premises, Mortgagor agrees to pay the fair and reasonable rental value for the use and occupancy of the Premises or any portion thereof which are in its possession for such period and, upon default of any such payment, will vacate and surrender possession of the Premises to Mortgagee or to a receiver, if any, and in default thereof may be evicted by any summary action or proceeding for the recovery of possession of premises for non-payment of rent, however designated.

ARTICLE III

MISCELLANEOUS

SECTION 3.01. This Mortgage constitutes a present and absolute assignment of all of the Rents now or hereafter accruing, provided,

¹, 2. Se Rider 20A.

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RIDER 20A

1. Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on behalf of Mortgagor and all persons beneficially interested therein, and each and every person except decree or judgment creditors of Mortgagor in its representative capacity acquiring any interest in or title to the Premises subsequent to the date of this Mortgage. The foregoing waiver of the right of redemption is made pursuant to the provisions of Section 110-15-1601 of the Illinois Code of Civil Procedure and any other applicable statute.

(b) No action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note.

2. SECTION 2.09. In any suit to foreclose the lien hereof (including any partial foreclosure) or to enforce any other remedy of Mortgagee under this Mortgage or the Note, there shall be allowed and included as additional indebtedness in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of preparing all such abstracts of title, title searches and examinations, title insurance policies, torrens certificates, and similar data and assurances with respect to title and value as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises.

[END OF RIDER 20A]

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however, that Mortgagee hereby grants to Mortgagor the right and license to collect and receive the Rents as they become due, and not in advance, so long as no Event of Default exists hereunder. Immediately upon the occurrence of any such Event of Default, the foregoing right and license shall be automatically terminated and of no further force or effect. Nothing contained in this Section 3.01 or elsewhere in this Mortgage shall be construed to make Mortgagee a mortgagee in possession unless and until Mortgagee actually takes possession of the Mortgaged Property, nor to obligate Mortgagee to take any action or incur any expense or discharge any duty or liability under or in respect of any leases or other agreements relating to the Mortgaged Property or any part thereof.

SECTION 3.02. This Mortgage constitutes a security agreement under the applicable Uniform Commercial Code with respect to the Chattels and such other of the Mortgaged Property which is personal property. In addition to the rights and remedies granted to Mortgagee by other applicable law or by this Mortgage, Mortgagee shall have all of the rights and remedies with respect to the Chattels and such other personal property as are granted to a secured party under the applicable Uniform Commercial Code. Upon Mortgagee's request, Mortgagor shall promptly and at its expense assemble the Chattels and such other personal property and make the same available to Mortgagee at a convenient place acceptable to Mortgagee. Mortgagor shall pay to Mortgagee on demand, with interest at the Involuntary Rate, any and all expenses, including attorneys' fees, incurred by Mortgagee in protecting its interest in the Chattels and such other personal property and in enforcing its rights with respect thereto. Any notice of sale, disposition or other intended action by Mortgagee with respect to the Chattels and such other personal property sent to Mortgagor in accordance with the provisions hereof at least five days prior to such action shall constitute reasonable notice to Mortgagor. The proceeds of any such sale or disposition, or any part thereof, may be applied by Mortgagee to the payment of the indebtedness secured hereby in such order and proportions as Mortgagee in its discretion shall deem appropriate.

SECTION 3.03. In the event any one or more of the provisions contained in this Mortgage or in the Note shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Mortgage, but this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

SECTION 3.04. No provision of this Mortgage may be changed, waived, discharged or terminated orally or by any other means except an instrument in writing signed by the party against whom enforcement of

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the change, waiver, discharge or termination is sought. Any agreement hereafter made by Mortgagor and Mortgagee relating to this Mortgage shall be superior to the rights of the holder of any intervening or subordinate lien or encumbrance.

SECTION 3.05. All notices hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented personally or sent by registered or certified mail, if to Mortgagor at its address above stated, and if to Mortgagee, to the attention of its Real Estate Finance office at 101 Park Avenue, New York, New York 10081, or at such other address of which a party shall have notified the party giving such notice in writing.

SECTION 3.06. All of the grants, covenants, terms, provisions and conditions herein shall run with the land and shall apply to, bind and inure to the benefit of, the successors and assigns of Mortgagor and the successors and assigns of Mortgagee.

SECTION 3.07. Anything herein or in the Note to the contrary notwithstanding the obligations of Mortgagor under this Mortgage and the Note shall be subject to the limitation that payments of interest shall not be required to the extent that receipt of any such payment by Mortgagee would be contrary to provisions of law applicable to Mortgagee limiting the maximum rate of interest that may be charged or collected by Mortgagee.

SECTION 3.08. This Mortgage may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts shall together constitute but one and the same mortgage.

SECTION 3.09. If all or any portion of the Premises is located in the State of New York, the covenants and conditions contained herein, other than those included in the New York Statutory Short Form of Mortgage, shall be construed as affording to Mortgagee rights additional to, and not exclusive of, the rights conferred under the provisions of Section 254 of the Real Property Law of the State of New York.

SECTION 3.10. Mortgagor and Mortgagee shall, upon their mutual agreement to do so, execute such documents as may be necessary in order to effectuate the modification of this Mortgage, including the execution of substitute mortgages, so as to create two or more liens on the Mortgaged Property in such amounts as may be mutually agreed upon but in no event to exceed, in the aggregate, the Mortgage Amount; in such event, Mortgagor covenants and agrees to pay the reasonable fees and expenses of Mortgagee and its counsel in connection with any such modification.

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SECTION 3.11. Mortgagor recognizes that Mortgagee may sell and transfer interests in the loan to one or more participants and that all documentation, financial statements, appraisals and other data, or copies thereof, relevant to Mortgagor, any Guarantor or the loan, may be exhibited to and retained by any such participant or prospective participant.

SECTION 3.12. Unless expressly provided otherwise, in the event that ownership of this Mortgage and title to the fee and/or leasehold estates in the Premises encumbered hereby shall become vested in the same person or entity, this Mortgage shall not merge in said title but shall continue to be and remain a valid and subsisting lien on said estates in the Premises for the amount secured hereby.

SECTION 3.13. Mortgagor hereby expressly and unconditionally waives, in connection with any foreclosure or similar action or procedure brought by Mortgagee asserting an Event of Default under clause (a) of Section 2.01 of this Mortgage, any and every right it may have to (i) injunctive relief, (ii) a trial by jury, (iii) interpose any counterclaim therein and (iv) have the same consolidated with any other or separate suit, action or proceeding. Nothing herein contained shall prevent or prohibit Mortgagor from instituting or maintaining a separate action against Mortgagee with respect to any asserted claim.

SECTION 3.14. The information set forth on the cover hereof is hereby incorporated herein.

SECTION 3.15. This Mortgage does not cover real property principally improved by one or more structures containing in the aggregate not more than six residential dwelling units, each having its own separate cooking facilities.

IN WITNESS WHEREOF, this Mortgage has been duly executed by Mortgagor.

INVESTMENT PROPERTIES ASSOCIATES, a
New York limited partnership

By Irving Schneider
Irving Schneider, general partner

{signatures continued on following page}

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Attest:

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By: MINLYN INC., general partner

By *Daniel H. Larko*

By *Erving Schleide* [SEAL]

Attest:

By: HELMSLEY-NOYES COMPANY, INC.,
general partner

By *John H. ...*

By *Charles J. Gengler* [SEAL]
CHARLES J. GENGLER,
~~TREASURER~~ vice pro.

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STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

On this 3 day of March, 1990, before me personally came Irving Schneider to me known, who, being by me duly sworn, did depose and say that he resides at 880 Fifth Avenue, New York, N.Y.; that he is a general partner of INVESTMENT PROPERTIES ASSOCIATES, the partnership described in and which executed the above instrument; and that he signed his name thereto, being duly authorized so to do by his co-partners in said partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal of office this 3 day of March, 1990.

Bernice H. Sachs
Notary Public

My commission expires:

BERNICE H. SACHS
Notary Public, State of New York
No. 31-7388350
Qualified in New York County
Commission Expires Feb. 28, 1991

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STATE OF NEW YORK)
: ss.:
COUNTY OF NEW YORK)

On the 30 day of March, 1990, before me personally came Irving Schneider, to me known, who being by me duly sworn, did depose and say that he resides at 880 Fifth Avenue, New York, N.Y.; that he is the President and Treasurer of Minlyn, Inc., the corporation described in and which executed the foregoing instrument, which corporation is a general partner of INVESTMENT PROPERTIES ASSOCIATES, the partnership which executed the foregoing instrument; that the execution of the instrument by said corporation was duly authorized according to the Articles of Partnership; that said corporation executed the instrument on behalf of said partnership pursuant to said authorization; and that he signed his name thereto by order of the board of directors of said corporation.

Bernice H. Lachs

Notary Public

My commission expires:

BERNICE H. LACHS
Notary Public, State of New York
No. 31-7388350
Qualified in New York County
Commission Expires Feb. 28, 1991

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STATE OF NEW YORK)

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: ss.:

COUNTY OF NEW YORK)

On the 25th day of MARCH, 1990, before me personally came CHARLES S. BEHARER, to me known, who being by me duly sworn, did depose and say that he resides at 175 Kell Ave STAIRS ELMAS, N.Y.; that he is the VP PRESIDENT of Helmsley-Noyes Company, Inc., the corporation described in and which executed the foregoing instrument, which corporation is a general partner of INVESTMENT PROPERTIES ASSOCIATES, the partnership which executed the foregoing instrument; that the execution of the instrument by said corporation was duly authorized according to the Articles of Partnership; that said corporation executed the instrument on behalf of said partnership pursuant to said authorization; and that (s)he signed (his) (her) name thereto by order of the board of directors of said corporation.

JANE R. SPILLE
 Notary Public, State of New York
 No. 60-4676785
 Qualified in Westchester County
 Certificate filed in New York County
 Commission Expires May 31st 19 91

Jane R. Spille
 Notary Public

My commission expires:

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Schedule A

Lot 5 and the west 30 feet of lot 6 (except that part of said lots taken for the widening of Madison Street) in Block 56 of the original town of Chicago in Sections 9 and 10, Township 39 North, Range 14, east of the Third Principal Meridian, in Cook County, Illinois.

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RS