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MORTGAGE

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THIS MORTGAGE made as of the ~~30th~~ day of March, 1990 by THE WINNETKA BANK, not personally but as Trustee under a Trust Agreement dated October 15, 1985, and known as Trust No. R-596 (herein called "Mortgagor"), having its principal office at 791 Elm, Winnetka, Illinois 60093, to NBD CHICAGO BANK (herein called the "Mortgagee"), an Illinois banking corporation, having its principal office at 307 North Michigan Avenue, Chicago, Illinois 60601.

WITNESSETH:

\$24.00

WHEREAS, the Mortgagor is indebted to Mortgagee in the principal sum of One Million Five Hundred Thousand Dollars (\$1,500,000) or so much thereof as may be disbursed and outstanding from time to time, plus interest in the amount as provided in and evidenced by a promissory note (the "Note") of even date herewith from Mortgagor to Mortgagee, pursuant to a Loan Agreement between Mortgagor and the beneficiary of Mortgagor ("Beneficiary") and Mortgagee of even date herewith (herein called the "Loan Agreement") for said amount and payable in accordance with the terms thereof.

WHEREAS, the Note provides for payments of principal and interest at the rate therein specified payable in accordance with the terms thereof with all unpaid principal and unpaid and accrued interest due and payable on or before March 31, 1995. The Note is payable to the order of Mortgagee at its principal office (which indebtedness, including principal and all interest hereon as set forth in the Note, is hereinafter called the "Indebtedness").

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, to secure (a) the payment of the Indebtedness, (b) the repayment of any advances or expenses of any kind incurred by Mortgagee pursuant to the provisions of or on account of the Note, the Loan Agreement or this Mortgage, (c) the repayment of future advances, if any, disbursed by Mortgagee to Mortgagor in accordance with the terms of the Note, the Loan Agreement or this Mortgage or in excess of the principal of the Indebtedness, (d) the performance and observance of all of the terms, covenants, provisions and agreements of this Mortgage, the Loan Agreement, the Note, and the other Loan Documents, as defined in the Loan Agreement, as the same may be extended, amended, supplemented or modified from time to time, the parties agree as follows:

ARTICLE I

GRANT

1.1 The Mortgagor hereby grants, sells, releases, conveys, assigns, transfers, mortgages and confirms unto the Mortgagee, and grants a security interest in, the real estate described in Exhibit "A" attached hereto and made a part hereof (the "real estate"), which with the property, estates and interests hereinafter described is referred to herein as the "Property."

Together with all rents, issues, profits, royalties, income and other benefits derived from the real estate subject to the right, power and authority hereinafter given to Mortgagor to collect and apply such rents;

Together with all leasehold estate, right, title and interest of Mortgagor in and to all leases or subleases covering the real estate or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Mortgagor thereunder, including, without limitation, all cash or security deposits, advance rentals, and deposits or payments of similar nature;

Prepared By And Sent To,
-1- Robert F. Feldgele, Esq.
Attorney + Genl
10 South Wacker Drive Suite 3700
Chicago, IL 60606

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COOK COUNTY, ILLINOIS

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Together with all leasehold estate, right, title and interest of Mortgagor in and to all leases or subleases covering the real estate or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Mortgagor thereunder, including, without limitation, all cash or security deposits, advance rentals, and deposits or payments of similar nature;

Together with all right, title and interest of Mortgagor in and to any greater estate in the real estate owned or hereafter acquired;

Together with all interests, estate or other claims in law and in equity which Mortgagor now has or may hereafter acquire in the real estate;

Together with all easements, rights-of-way and rights pertaining thereto or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto;

Together with all right, title and interest of Mortgagor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the real estate, and any and all sidewalks, alleys and strips and gores or land adjacent to or used in connection with the real estate;

Together with any and all buildings and improvements now or hereafter erected thereon, including, but not limited to, the fixtures, attachments, appliances, equipment, machinery, and other articles attached to said buildings and improvements;

Together with all machinery, apparatus, equipment, fittings, fixtures, and articles of personal property of every kind and nature whatsoever, other than consumable goods, now or hereafter located in or upon the real estate or any part thereof and used or useable in connection with any present or future operation of said real estate (hereinafter called "equipment") and now owned or hereafter acquired by the Mortgagor. It is understood and agreed that all equipment is appropriated to the use of the real estate and, whether affixed or annexed or not, shall for the purpose of this Mortgage be deemed conclusively to be conveyed hereby. The Mortgagor agrees to execute and deliver, from time to time, such further instruments as may be requested by the Mortgagee to confirm the lien of this Mortgage on any equipment;

Together with all the estate, interest, right, title, other claim or demand, including claims or demands with respect to the proceeds of insurance, which Mortgagor now has or may hereinafter acquire in the real estate, and any and all awards made for the taking of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the real estate, including without limitation any awards resulting from a change of grade of streets and awards for severance damages.

To have and hold the Property unto the Mortgagee, and its successors and assigns forever, for the uses and purposes herein set forth.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

2.1 Mortgagor represents and warrants that (a) it has good and marketable title to the Property. Mortgagor represents that it has good right and full power to sell and convey the same and that it has duly executed and delivered this Mortgage pursuant to proper directions and that Mortgagor will make any further assurances of title that the Mortgagee may require and will defend the Property against all claims and demands whatsoever; (b) t h e

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proceeds of the loan evidenced by the Note will be used for the purposes specified in paragraph 6404 of Chapter 17 of the Illinois Revised Statutes and that the principal sum evidenced by the Note constitutes a business loan which comes within the purview of said paragraph; and (c) the Property, including without limitation any improvements presently and/or hereinafter situated thereon or thereunder, the construction material used in such improvements, surface and subsurface soil and water, all business uses and operations thereabove, thereunder and thereon, and each portion thereof are and at all times prior to the date hereof have been and at all times after the date hereof will be free of underground storage tanks (including, but not limited to pipes and piping systems) and Hazardous Material (as hereinafter defined).

For purposes of this Mortgage:

"Hazardous Material" means:

(i) "hazardous substances", as defined by the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") 42 U.S.C. § 9601 et seq., and all amendments thereto and reauthorizations thereof; the Illinois Environmental Protection Act ("Illinois Environmental Act"), Ill. Rev. Stat. Ch. 111-1/2, §1001 et seq., and all amendments thereto and reauthorizations thereof; and/or

(ii) "hazardous wastes", as defined by the Resource Conservation and Recovery Act ("RCRA") 42 U.S.C. § 6902 et seq., and all amendments thereto and reauthorizations thereof; and/or

(iii) any pollutant, contaminant, hazardous, dangerous or toxic chemical, material or substance within the meaning of any applicable federal, state, or local statute, law, code, rule, regulation, ordinance, order, standard, permit, license or requirement (including consent decrees, judicial decisions and administrative orders) together with all amendments thereto and reauthorizations thereof, including but not limited to any common law or statutory tort, nuisance or absolute liability theories, CERCLA, the Illinois Environmental Act, RCRA, and any and all legislation enacted in the future, and all amendments thereto or reauthorizations thereof (all of the foregoing hereinafter collectively called "Environmental Laws"), which Environmental Laws prohibit, limit or otherwise regulate use, exposure, release, generation, manufacture, sale, transportation, handling, storage, treatment, recycling, reclamation, reuse, presence, emission or disposal of such pollutant, contaminant, hazardous, dangerous or toxic chemical, material or substance; and/or

(iv) even if not so prohibited, limited or regulated by Environmental Laws, any pollutant, contaminant, hazardous, dangerous or toxic chemical, material, substance or waste which may or could pose a hazard to the environment or the health and safety of any occupant, user or third party at the Property or any owner, occupant, user or third party at property near the Property, or could presently or at any time in the future cause a detriment to or impair the beneficial use of the Property or any portion thereof; and/or

(v) petroleum, crude oil or any fraction thereof used in a manner which is prohibited, limited or regulated by Environmental Laws; and/or

(vi) natural gas, natural gas liquids, liquified natural gas (all the foregoing collectively called "Natural Gas Products"), synthetic gas used in a manner which is prohibited, limited or regulated by Environmental Laws; and/or

(vii) any radioactive material, including any source, special nuclear or byproduct material as defined at 42 U.S.C. §2011 et seq., and amendments thereto and reauthorizations thereof; and/or

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(viii) asbestos-containing materials in any form or condition; and/or

(ix) polychlorinated biphenyls.

Without limiting the generality of the foregoing, the Property and each portion thereof, have at all times and currently are in compliance with all Environmental Laws, and are not subject to the assertion of any Environmental Actions (as hereinafter defined).

ARTICLE III

WAIVER OF REDEMPTION

3.1 The Mortgagor releases and waives all rights to retain possession of the Property after any default in payment or breach of any of the obligations, covenants, undertakings or agreements herein or in the Note, Loan Agreement and Loan Documents; Mortgagor hereby releases and waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on its own behalf and on behalf of Beneficiary and each and every person, except decree and judgment creditors of the Mortgagor, including any and all persons acquiring any interest in or title to the Property or any beneficial interest in Mortgagor. Mortgagor shall not, and will not, apply for or avail itself of any appraisal, valuation, stay, extension or exemption law, or so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the Property, and any estates comprising the Property, marshalled upon any foreclosure of the lien hereon and agree that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety. No provision of this paragraph or of this Mortgage shall prevent Beneficiary from bidding at any foreclosure sale of the Property.

ARTICLE IV

MORTGAGOR'S COVENANTS

4.1 Mortgagor covenants, represents and warrants as follows:

(a) to pay the Indebtedness and the other sums secured hereby in the manner and at the times provided for in the Loan Agreement, Note and in this Mortgage.

(b) to pay, or cause to be paid, when due and payable by Mortgagor (i) all real estate taxes, personal property taxes, assessments, water and sewer rates and charges, utilities charges, and all other governmental levies and charges, of every kind and nature whatsoever, general and special, ordinary and extraordinary, unforeseen as well as foreseen, which shall be assessed, levied, confirmed, imposed or become a lien upon or against the Property or any portion thereof, and all taxes, assessments and charges upon the rents, issues, income or profits of the Property, or which shall become payable with respect thereto or with respect to the occupancy, use or possession of the Property, whether such taxes, assessments or charges are levied directly or indirectly (hereinafter collectively called the "Impositions"); and (ii) all other payments or charges required to be paid to comply with the terms and provisions of this Mortgage. Subject to written waiver by Mortgagee, Mortgagor shall also pay to Mortgagee on the day each installment of principal and/or interest is payable under the Note, until the Note is paid in full, a sum equal to one-twelfth of the annual real estate

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taxes on the Property, as reasonably estimated initially and from time to time by Mortgagee on the basis of the most recent assessments and real estate tax bills ("Deposits"). Upon receipt of the real estate tax bills, Mortgagor shall promptly deliver same to Mortgagee for payment. In the event the Deposits are less than the amount of the real estate tax bills, Mortgagor shall promptly before any penalties may be assessed pay any such deficiency to Mortgagee. Unless Mortgagor is diligently pursuing the procedures provided for in Paragraph 12.1 hereof, within ten (10) days after written demand therefor, Mortgagor shall deliver to Mortgagee the original, or a photostatic copy, of the official receipt evidencing payment of Impositions or other proof of payment satisfactory to Mortgagee. Failure of Mortgagor to deliver to Mortgagee said receipts or to submit other proof satisfactory to Mortgagee as aforesaid shall constitute a default hereunder.

(c) to promptly comply, and cause all persons to comply with all present and future laws, ordinances, rules, regulations and other requirements of all governmental authorities having or claiming jurisdiction of or with respect to the Property or any portion thereof or the use or occupation thereof.

(d) to keep and maintain, or cause to be kept and maintained, the Property (including all improvements thereon and the sidewalks, sewers, and curbs) in good order and condition and will make or cause to be made, as and when the same shall become necessary, all structural and nonstructural, ordinary and extraordinary, foreseen and unforeseen repairs and all maintenance necessary to that end. Furthermore, and without limiting the generality of the foregoing, Mortgagor will suffer no waste. All repairs and maintenance required of Mortgagor shall be (in the reasonable opinion of Mortgagee) of first-class quality.

(e) not make or cause to be made any improvements or alterations to the Property unless written approval is first obtained from Mortgagee.

(f) that this Mortgage is and will be maintained as a valid first mortgage lien on the Property and that Mortgagor will not, directly or indirectly, create or suffer or permit to be created, or to stand against the Property, or any portion thereof, or against the rents, issues and profits therefrom, any lien (including any liens arising with respect to the payment of Impositions), security interest, encumbrance or charge whether prior to or subordinate to the lien of this Mortgage unless written approval is first obtained from Mortgagee. Mortgagor will keep and maintain the Property free from all liens of persons supplying labor and materials for the construction, modification, repair or maintenance of any building or site improvement whether on the Property or not. If any such liens shall be filed against the Property, Mortgagor agrees to discharge the same of record within twenty (20) days after the liens are filed or, if not filed, within twenty (20) days after Mortgagor has notice or knowledge thereof; provided that in connection with any such lien or claim which Mortgagor may in good faith desire to contest, Mortgagor may contest the same by appropriate legal proceedings, diligently prosecuted, but only if Mortgagor shall furnish to a title insurance company approved by Mortgagee such security or indemnity as the title insurance company may require to induce it to issue its preliminary or interim report on title, or its title insurance policy, insuring against all such claims or liens. In no event shall Mortgagor do, or permit to be done, or omit to do, or permit the omission of, any act or thing, the doing or omission of which would impair the security of this Mortgage.

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(g) for so long as the Indebtedness remains outstanding, to comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental authority or court applicable to the Mortgagor or applicable to the Property or any part thereof.

(h) that all awards heretofore or hereafter made by any public or quasi-public authority to the present and all subsequent owners of the Property by virtue of an exercise of the right of eminent domain by such authority, including any award for a taking of title, possession or right of access to a public way, or for any change of grade of streets affecting the Property, are hereby assigned to the Mortgagee.

(i) that it will promptly perform and observe, or cause to be performed or observed, all of the terms, covenants and conditions of all instruments of record affecting the Property, noncompliance with which might affect the security of this Mortgage or impose any duty or obligation upon Mortgagor, and Mortgagor shall do or cause to be done, all things necessary to preserve intact and unimpaired any and all easements, appurtenances and other interests and right to, in favor of, or constituting any portion of the Property.

(j) that neither the value of the Property nor the lien of this Mortgage will be diminished or impaired in any way by any act or omission of the Mortgagor or Beneficiary, and the Mortgagor agrees it will not do or permit to be done to, in, upon or about said Property, or any part thereof, anything that may in any wise impair the value thereof, or weaken, diminish, or impair the security of this Mortgage.

(k) subject to the rights granted Mortgagor in Section 12.1 of this Mortgage, to promptly pay and discharge any and all license fees or similar charges, with penalties and interest thereon, which may be imposed by the municipality or county in which the Property is situated or any other governmental body having jurisdiction thereof and will promptly cure any violation of law and comply with any order of said municipality, county or other governmental body in respect of the repair, replacement or condition of the Property and any governmental regulations concerning environmental control and improvements, and that in default thereof, Mortgagee may, but shall not be required to, pay any and all such license fees or similar charges or comply with such regulations with penalties and interest thereon, or pay such charges of the municipality, county or other governmental body for such repair or replacement. All amounts so paid shall thereupon be liens upon the Property and secured by this Mortgage, and Mortgagor will repay the same upon demand, with interest thereon at the Default Interest Rate under the Note, from the date of such payment by Mortgagee.

(l) that if any action or proceeding is commenced in which Mortgagee in good faith deems it necessary to defend or uphold the validity, enforceability or priority of the lien and interest of this Mortgage or to preserve the value of the security for this Mortgage, all sums paid by Mortgagee for the expense of any such litigation to prosecute or defend the rights, lien and security interest created by this Mortgage (including reasonable attorneys' fees) shall be paid by Mortgagor, together with interest thereon at the Default Interest Rate then applicable under the Note and any such sums and the interest thereon shall be a lien and security interest on the Property prior to any right or title to, interest in or claim upon the Property attaching or accruing subsequent to the lien and security interest of this Mortgage, and shall be secured by this Mortgage.

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(m) that the Property shall be maintained in compliance with all Environmental Laws.

(n) that all required governmental permits and licenses respecting the Property have been obtained, are in force and effect and shall remain in effect, and Mortgagor and tenants of Mortgagor shall comply therewith.

(o) that the Property will not be used for the principal purpose of generating, manufacturing, using, selling, treating, recycling, reclaiming, reusing, handling, storing or transporting Hazardous Material; without limiting the generality of the foregoing, any Hazardous Material used, generated, manufactured, sold, treated, recycled, reclaimed, reused, handled, stored, transported to or from, or present on the Property shall be so used, generated, manufactured, treated, recycled, reclaimed, handled, stored, transported to or from and in compliance with all Environmental Laws and in accordance with the highest industrial safeguards and shall be disposed of off the Property in a lawful manner and shall not be disposed of upon, under, into, above or about the Property.

(p) that Mortgagor shall satisfy all requirements of all Environmental Laws for the registration, operation, maintenance, removal and financial assurance requirements respecting underground storage tanks which may be installed in the future; such installation subject to Mortgagee's thirty (30) day prior written consent, which consent may be withheld for any reason or no reason.

(q) that no Hazardous Material shall be used, generated, manufactured, sold, treated, recycled, reclaimed, reused, stored, transported to or from, handled or present on the Property without thirty (30) days' prior written consent of Mortgagee, which consent may be withheld for any reason or no reason.

(r) that Mortgagor shall immediately notify Mortgagee in writing and immediately provide Mortgagee with true, accurate and complete copies of any Environmental Actions upon Mortgagor's receipt of same. Mortgagor shall promptly cure and have dismissed with prejudice all Environmental Actions to the satisfaction of Mortgagee. Mortgagor shall keep the Property free of any encumbrance arising from any lien, judgment, cost, demand or liability imposed pursuant to any Environmental Actions.

(s) that Mortgagor shall provide such information and certifications which Mortgagee may request from time to time to insure Mortgagor's compliance with this Section. Mortgagee, its agents and consultants shall have the right, but no obligation, to:

(i) enter upon the Property at any time and from time to time;

(ii) take samples, including, without limitation soil, air, water, and insulation;

(iii) review Mortgagor's books and records;

(iv) interview Mortgagor's directors, officers, employees, agents, experts and consultants; and

(v) conduct such activities as Mortgagee, at its sole discretion, deems appropriate to ensure Mortgagor's compliance with the terms of this Section.

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Mortgagor shall cooperate fully with Mortgagee, its agents and consultants in the furtherance of Mortgagee's rights provided by this Section.

For the purposes of this Mortgage:

"Environmental Actions" means:

(i) any notice(s) or violations(s), correspondence, memoranda, complaint(s), claim(s), citation(s), demand(s), inquiry or inquiries, report(s), action(s) or proceeding(s) whether absolute or contingent, matured or unmatured, known or unknown, brought or issued by any governmental agency or any other person or entity regarding the Property respecting:

(A) any Environmental Laws;

(B) public health risks;

(C) the environmental condition of the Property, any portion thereof or any property near the Property including without limitation damage, alleged damage, injury or alleged injury to fish, wildlife, biota, air, surface or subsurface soil or water, drinking water supplies or other natural resources; or

(D) the use, exposure, release, generation, sale, transportation to or from, handling, storage, treatment, recycling, reclamation, reuse, emission, disposal or presence of Hazardous Material regardless of whether such notice(s) or violation(s), correspondence, memoranda, complaint(s), claim(s), citation(s), demand(s), inquiry or inquiries, report(s), action(s) or proceeding(s) pertain to the Property or to materials or substances which, while used, generated, manufactured, transported to or from, handled, stored, treated or present on the Property, were transported off-site for treatment, storage, recycling, reclamation, reuse and/or disposal.

(ii) any lien(s) or governmental action(s), notice(s) of violation(s), notice(s) of noncompliance or other action(s) or proceeding(s) of any kind which could cause a detriment to or impair the beneficial use and/or value of the Property, or the priority of the mortgage lien or any other rights which Mortgagee may have pursuant to any of the Loan Documents.

ARTICLE V

TRANSFER OR MORTGAGE OF PROPERTY

5.1 Mortgagor will not, without the prior written consent of Mortgagee, further mortgage, grant a deed of trust, pledge or otherwise dispose of or further encumber, whether by operation of law or otherwise, any or all of its interest in the Property. Beneficiary will not make and Mortgagor will not, and will not be required to, accept, and will not be bound by, any assignment of the beneficial interest in Mortgagor to any party and will not cause or permit any sale, transfer, assignment or conveyance of any general partnership interest in Beneficiary. Mortgagor or Beneficiary will not, without the prior written consent of Mortgagee, sell, assign, or transfer the Property or any interest therein. Any sale, assignment, transfer, mortgage, deed of trust, pledge, change or other disposition or encumbrance made in violation of the above provisions shall be null and void and of no force and effect and the making thereof shall constitute a default under this Mortgage.

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ARTICLE VI

PERFORMANCE OF MORTGAGOR'S OBLIGATIONS

6.1 If Mortgagor shall fail to pay any Impositions described in Article IV hereof or to make any other payment required to be paid by Mortgagor under this Mortgage at the time and in the manner provided in this Mortgage, or if Mortgagor shall be in default in the performance or observance of any other term, covenant, condition or obligation required to be performed or observed by Mortgagor under this Mortgage, the Note, the Loan Agreement, the Loan Documents or any instrument of record, then, after the expiration of any applicable grace period as set forth in any such document or instrument, and without limiting the generality of any other provision of this Mortgage, and without waiving or releasing Mortgagor from any of its obligations hereunder, Mortgagee shall have the right, but shall be under no obligation, to pay any Impositions or other payment (including without limitation, any penalties or interest thereon), or any sums due under the this Mortgage, and may perform any other act or take such action as may be appropriate to cause such other term, covenant, condition or obligation to be promptly performed or observed on behalf of Mortgagor. In any such event, Mortgagee and any person designated by Mortgagee shall have, and is hereby granted, the right to enter upon the Property at any time and from time to time for the purposes of performing any such act or taking any such action, and all moneys expended by Mortgagee in connection with making such payment or performing such act (including, but not limited to, legal expenses and disbursements), together with interest thereon from the date of each such expenditure at the Default Interest Rate as described in the Note, shall be immediately due and payable by Mortgagor to Mortgagee and shall be secured by this Mortgage and constitute part of the Indebtedness secured hereby, and Mortgagee shall have same rights and remedies in the event of nonpayment of any such sums by Mortgagor as in the case of a default by Mortgagor in the payment of the Indebtedness. Nothing in this Paragraph or in any other part of this Mortgage shall be construed to require Mortgagee to make any payment or perform any obligation of Mortgagor or any of them.

ARTICLE VII

ASSIGNMENT OF LEASES, RENTS AND CONTRACTS

7.1 Mortgagor hereby assigns to Mortgagee all of Mortgagor's interest in all rents, issues and profits of the Property, as further security for the payment of the Indebtedness and other sums secured hereby. Mortgagor grants to Mortgagee the right to enter the Property and to let the Property, or any part thereof, and to apply said rents, issues, profits and proceeds after payment of all charges and expenses, on account of the Indebtedness and other sums secured hereby. This assignment and grant shall continue in effect until the Indebtedness and other sums secured hereby are paid in full. Mortgagee hereby agrees not to exercise the right to enter the Property for the purpose of collecting said rents, issues or profits and Mortgagor shall be entitled to collect and receive said rents, issues, profits and proceeds until the occurrence of a default by Mortgagor under the terms and provisions hereof; provided that any rents, issues and profits collected and received by Mortgagor after the occurrence of a default hereunder which is not cured within the applicable grace period provided hereby shall be deemed collected and received by Mortgagee in trust for Mortgagee and Mortgagor shall account to Mortgagee for the full amount of such receipts.

7.2 The assignment contained in this Article VII is given as collateral security and the execution and delivery hereof shall not in any way impair or diminish the obligations of the Mortgagor, nor

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shall this assignment impose any obligation on Mortgagee to perform any provision of any contract pertaining to the Property or any responsibility for the non-performance thereof by Mortgagor or any other person. The assignment under this Article VII is given as a primary pledge and assignment of the rights described herein and such assignment shall not be deemed secondary to the security interest of Mortgagee in the Property. Mortgagee shall have the right to exercise any rights under this Article VII before, together with, or after exercising any other rights under this Mortgage.

ARTICLE VIII

CHANGES IN TAX LAWS; PAYMENT OF OTHER TAXES

8.1 In the event of the passage after the date of this Mortgage of any law applicable to the Property deducting from the value of land for the purposes of taxation any lien thereon, or changing in any way materially adverse to Mortgagee the laws for the taxation of mortgages or debts secured by mortgages for state or local purposes, or the manner of the collection of any such taxes, the holder of this Mortgage shall have the right to give thirty (30) days written notice to the then owner of the Property requiring the payment of the Indebtedness. If such notice be given, said Indebtedness shall become due, payable and collectible at the expiration of said thirty (30) days, provided, however, that such requirement of payment shall be ineffective if the Mortgagor is permitted by law to pay the whole of such tax in addition to all other payments required hereunder, without any penalty thereby, and if the Mortgagor pays such tax prior to the date upon which payment is required by such notice.

8.2 In the event that hereafter it is claimed by any governmental agency that any tax or other governmental charge or imposition is due, unpaid or payable by Mortgagor or Mortgagee upon the Indebtedness (other than income tax on the interest or premium receivable by Mortgagee thereunder), including any recording tax, documentary stamps or other tax or imposition on the Note or Mortgage, Mortgagor will forthwith either (a) pay such tax before any penalty accrues and, within a reasonable time thereafter, deliver to Mortgagee satisfactory proof of payment thereof or (b) deposit with Mortgagee the amount of such claimed tax or other governmental charge or imposition, together with interest and penalties thereon, or other security reasonably satisfactory to Mortgagee, pending an application for a review of the claim for such tax or other governmental charge or imposition and, within a reasonable time, deliver to Mortgagee either (i) evidence satisfactory to Mortgagee that such claim has been withdrawn or defeated, in which event any such deposit shall be returned to Mortgagor, or (ii) a direction from Mortgagor to Mortgagee to pay the same out of the deposit above mentioned, with any excess due over the amount of said deposit to be paid by Mortgagor directly to the taxing authority and any excess of such deposit over such payment by Mortgagee to be returned to Mortgagor provided Mortgagor is not in default under the provisions of the Mortgage. Upon the failure of Mortgagor to comply with the provisions of this paragraph the entire Indebtedness shall, at the option of Mortgagee, become due and payable ten (10) days after written notice from Mortgagee. If liability for such tax or other governmental charge or imposition is asserted against Mortgagee, Mortgagee will give to Mortgagor prompt notice of such claim and Mortgagor upon complying with the provisions of this paragraph, shall have full right and authority to contest such claim.

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ARTICLE IX

DEFAULT

9.1 The entire Indebtedness shall become due, at the option of Mortgagee, if any one or more of the following events of default ("Default" or "Event of Default") shall occur:

(a) Failure of Mortgagor to observe or perform any of the conditions, terms, covenants or agreements by Mortgagor to be performed under the terms hereof.

(b) Any warranty or representation of Mortgagor or of Beneficiary when made was inaccurate or misleading in any material respect.

(c) Failure of Mortgagor to observe or perform any of the conditions, terms, covenants or agreements contained in the Note.

(d) Failure of Mortgagor or Beneficiary to observe or perform any of the conditions, terms, covenants or agreements contained in the Loan Documents, as defined in the Loan Agreement, or the occurrence of a default or Event of Default under any one or more of said Loan Documents.

(e) If Mortgagor or Beneficiary shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the present or any future applicable federal, state or other statute or law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Mortgagor, Beneficiary or any Guarantor of the Note, or of all or any substantial part of their respective properties or of the Property; or if within sixty (60) days after the commencement of any proceeding against Mortgagor or Beneficiary, seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the present or any future federal bankruptcy act or any present or future applicable federal, state or other statute or law, such proceeding shall not be dismissed; or if, within thirty (30) days after the appointment of any trustee, receiver or liquidator of either Mortgagor or Beneficiary (without the consent or acquiescence of such party) or of all or any substantial part of their respective properties or of the Property, such appointment shall not have been vacated or stayed on appeal or otherwise; or if, within sixty (60) days after the expiration of any such stay, such appointment shall not have been vacated.

(f) The assignment, pledge, hypothecation, or other disposition of the Property or the beneficial interest in Mortgagor, or any portion thereof, in violation of the provisions of Section 5.1 hereof.

(g) The assignment, transfer or conveyance of any general partnership interest in the Beneficiary.

(h) Abandonment of the Property.

(i) If a lien for the performance of work or the supply of materials, fixtures or articles be filed against the Property, or any portion thereof, and remains filed and not fully satisfied and released (or bonded or insured over by a bonding company or title insurer approved by Mortgagee, in an amount and manner satisfactory to Mortgagee) for a period of twenty (20) days after the date of filing thereof.

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9.2 If an Event of Default shall occur which is not cured within any applicable grace period set forth in any of the Loan Documents, Mortgagee may, at its option, exercise any and all of the following remedies:

(a) Declare the unpaid portion of the Indebtedness to be immediately due and payable, without further notice or demand (each of which hereby is expressly waived by Mortgagor), whereupon the same shall become immediately due and payable.

(b) Enter upon the Property and take possession thereof and of all books, records and accounts relating thereto.

(c) Appoint a receiver for the Property, or any part thereof, and of the net income, rents, issues and profits thereof, without regard to the sufficiency of the Property covered by this Mortgage or any other security, and without the showing of insolvency on the part of Mortgagor or fraud or mismanagement, and without the necessity of filing any judicial or other proceeding for appointment of a receiver.

(d) Hold, lease, operate or otherwise use or permit the use of the Property, or any portion thereof, in such manner, for such time and upon such terms as Mortgagee may deem to be in its best interest (including making such repairs, alterations, additions and improvements thereto, from time to time, as Mortgagee shall deem necessary or desirable) and collect and retain all earnings, rentals, profits or other amounts payable in connection therewith.

(e) Sell the Property, in whole or in part:

(i) under the judgment or decree of a court of competent jurisdiction, or

(ii) at public auction (if permitted by law) in such manner, at such time and upon such terms as Mortgagee may determine, or as provided by law, and/or sell any personal property, in whole or in part, at one or more public or private sales, in such manner, at such time or times, and upon such terms as Mortgagee may determine or as provided by law.

(f) exercise any other remedy or now or hereafter existing in equity, at law, by virtue of statute or otherwise.

9.3 In case Mortgagee shall have proceeded to enforce any right under the Note, this Mortgage or any other Loan Documents and such proceedings shall have been discontinued or abandoned for any reason, then in every such case Mortgagor and Mortgagee shall be restored to their former positions and the right, remedies and powers of Mortgagee shall continue as if no such proceedings had been taken.

9.4 In the event Mortgagee (a) grants an extension of time on any payments of the Indebtedness, (b) takes other or additional security for the payment thereof, or (c) waives or fails to exercise any right granted herein, said act or omission shall not release Mortgagor, subsequent purchasers of the Property covered by this Mortgage or any part thereof, or any guarantor from their respective obligations under the Loan Documents.

ARTICLE X

FORECLOSURE

10.1 In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree of

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sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee, or holders of the Note, for reasonable attorneys' fees, court costs, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs of procuring title insurance policies (which fees, charges and costs may be estimated as to items to be expended after entry of the decree), and all other expenses as Mortgagee or holders of the Note may deem reasonably necessary 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 Property. All expenditures and expenses of the nature in this section mentioned shall become so much additional indebtedness secured hereby and shall be immediately due and payable with interest thereon at the rate in effect under the Note when paid or incurred by Mortgagee or holders of the Note. In addition to foreclosure proceedings, the above provisions of this paragraph shall apply to (a) any proceeding to which Mortgagee or the holders of the Note shall be a party, either as plaintiff, claimant or defendant by reason of this Mortgage or any Indebtedness hereby secured; (b) preparations for the commencement of any suit for foreclosure hereof after accrual of such right to foreclosure whether or not actually commenced; or (c) preparation for the defense of or investigation of any threatened suit, claim or proceeding which might affect the Property or the security hereof, whether or not actually commenced.

10.2 Upon or at any time after the filing of a bill to foreclose this Mortgage, the court in which such bill is filed may appoint a receiver of the Property. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency at the time of application for such receiver of the person or persons, if any, liable for the payment of the Indebtedness and other sums secured hereby and without regard to the then value of the Property and the Mortgagee hereunder may be placed in possession of the Property. The receiver shall have power to collect the rents, issues and profits of the Property during the pendency of such foreclosure suit, as well as during any further times when Mortgagee, its successors or assigns, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the 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 the Indebtedness and other sums secured hereby, or in payment of any tax, special assessment or other lien which may be or become superior to the lien hereof or superior to a decree foreclosing this Mortgage, provided such application is made prior to foreclosure sale.

10.3 The proceeds of any sale of all or any portion of the Property and the earnings of any holding, leasing, operating or other use of the Property shall be applied by Mortgagee in the following order:

(a) first, to the payment to Mortgagee of the costs and expenses of taking possession of the Property and of holding, using, leasing, repairing, improving and selling the same;

(b) second, to the payment of Mortgagee's attorneys' fees and other legal expenses incurred in connection with the foreclosure proceedings;

(c) third, to the payment of accrued and unpaid interest on the Note;

(d) fourth, to the payment of the balance of the Indebtedness;

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(e) any surplus shall be paid to the parties entitled to receive it.

ARTICLE XI

INSPECTION

11.1 Mortgagor covenants and agrees that Mortgagee, or its agents or representatives, may make such inspections of the Property (environmental or otherwise) as Mortgagee may deem necessary or desirable, at all reasonable times and that any such inspections shall be solely for the benefit of Mortgagee and shall not be relied upon by Mortgagor for any purpose.

ARTICLE XII

CONTESTING LIENS AND IMPOSITIONS

12.1 Mortgagor at its expense, may contest, after prior written notice to Mortgagee, by appropriate legal proceedings conducted in good faith and with due diligence, the amount or validity or application in whole or in part, of any Impositions described in Section 4.2, any license fees or similar charges, or any mechanic's lien filed against the Property provided that (a) Mortgagor shall first make all contested payments, under protest if it desires, unless such proceedings shall suspend the collection thereof, (b) neither the property nor any part thereof or interest therein are at any time in any danger of being sold, forfeited, lost or interfered with, and (c) Mortgagor shall have furnished such security, if any, as may be required in the proceedings or requested by Mortgagee.

ARTICLE XIII

ASSIGNMENT BY MORTGAGEE

13.1 Mortgagee may assign all or any portion of its interest hereunder and its rights granted herein and in the Note to any person, trust, financial institution or corporation as Mortgagee may determine and upon such assignment, such assignee shall thereupon succeed to all the rights, interests, and options of Mortgagee herein and in the Note contained and Mortgagee shall thereupon have no further obligations or liabilities hereunder. Upon request, Mortgagor agrees to consent in writing to any such assignment provided any amendments or modifications to the Loan Documents do not materially alter Mortgagor's obligations hereunder or under any of the Loan Documents.

ARTICLE XIV

INSURANCE; CASUALTY; AND CONDEMNATION

14.1 Mortgagor will procure, deliver to and maintain for the benefit of Mortgagee during the continuance of this Mortgage and until the same is fully satisfied and released, a policy or policies of insurance insuring the buildings, structures, machinery, equipment and improvements now existing or hereafter created on said Property as set forth in Article V of the Loan Agreement. Upon Mortgagor's failure to comply with the requirements of this paragraph, Mortgagee may, in its discretion, effect any insurance required hereunder and pay the premiums due therefor, and any amounts so paid by Mortgagee shall become immediately due and payable by Mortgagor with interest as described in Section 6.1 hereof, and shall be secured by this Mortgage. The delivery to Mortgagee of any policy or policies of insurance hereunder, or renewals thereof, shall constitute an assignment to Mortgagee of

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all unearned premiums thereon as further security for the payment of the indebtedness secured hereby. In the event any foreclosure action or other proceeding hereunder is instituted by Mortgagee, all right, title and interest of Mortgagor in any or to any policy or policies of insurance then in force shall vest in Mortgagee. Subject to written waiver by Mortgagee, Mortgagor shall be required to pay to Mortgagee on the date each installment of principal and interest is payable under the Note, until the Note is paid in full, a sum equal to one-twelfth of the annual insurance premium as reasonably estimated from time to time by Mortgagee.

14.2 (a) In case of damage to or the destruction of the improvements on the Property by fire or other casualty, Mortgagee may elect in its sole discretion to cause all proceeds of insurance to be applied to the Indebtedness secured hereby or permit the restoration of the Property and its improvements to its former condition. Mortgagor shall present to Mortgagee evidence reasonably satisfactory to Mortgagee that (i) the proceeds of insurance are sufficient to repair or restore improvements, or, if such proceeds are insufficient, that Mortgagor has deposited with Mortgagee funds which, when added to the proceeds of insurance, shall be sufficient to repair or restore the improvements, and (ii) Mortgagor can complete such repairs or restoration prior to the date when the Note becomes due and payable.

(b) In the event the insurance proceeds are to be applied to the Indebtedness, Mortgagee may collect all proceeds of insurance after deduction of all reasonable expense of collection and settlement, including attorneys' and adjustors' fees and charges, and apply same against the Indebtedness secured hereby. If the proceeds are insufficient to pay such Indebtedness in full, Mortgagee may declare the balance remaining unpaid immediately due and payable, and avail itself of any of the remedies provided for in the event of any default. Any proceeds remaining after application upon the Indebtedness shall be paid by Mortgagee to Mortgagor.

(c) In the event the insurance proceeds are to be used to rebuild the improvements, Mortgagee may collect and retain the insurance proceeds and disburse same. Mortgagor shall proceed with diligence to make settlement with insurers and cause the proceeds of the insurance to be deposited with Mortgagee.

14.3 (a) Mortgagee is hereby authorized, directed and empowered to collect and receive the proceeds of any condemnation or eminent domain award or awards from the authorities making the same and to give proper receipts and acquittances therefor, and may, at the Mortgagee's sole election, use such proceeds in any one or more of the following ways: (i) apply the same or any part thereof upon the Indebtedness, whether such Indebtedness then be matured or unmatured, (ii) use the same or part thereof to fulfill any of the covenants contained herein as the Mortgagee may determine, (iii) use the same or any part thereof to replace or restore the Property to a condition satisfactory to the Mortgagee or (iv) release the same to the Mortgagor;

(b) Mortgagor hereby covenants and agrees to and with the Mortgagee, upon request by the Mortgagee, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning all such awards to the Mortgagee free, clear and discharged of any and all encumbrances of any kind or nature whatsoever.

ARTICLE XV

SECURITY AGREEMENT

15.1 Mortgagor hereby grants to Mortgagee, in addition to and not in substitution for, any interest granted hereinabove, an

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express security interest in, and mortgages to the Mortgagee, all goods, types and items of property owned by the Mortgagor and the Beneficiary of Mortgagor (or either of them) which are described in Section 15.2 below (hereinafter the "collateral") whether now or hereafter erected on or placed in or upon the real estate or any part thereof, and all replacements thereof and accessions thereto and proceeds thereof to further secure the payment of the Indebtedness, the payment of all other sums due from the Mortgagor to the Mortgagee, and the performance by Mortgagor of all the covenants and agreements set forth herein. Mortgagor warrants and covenants that, except for the security interest granted hereby, Mortgagor is the owner of the collateral free from any adverse lien, security interest or encumbrance and Mortgagor warrants that Mortgagor has made payment in full for all such collateral. Mortgagor will upon request from Mortgage deliver to Mortgagee such further security agreements, chattel mortgages, financing statements and evidence of ownership of such items as Mortgagee may request.

15.2 The security interest granted to the Mortgagee hereby shall cover all property now or hereafter owned by the Mortgagor and the Beneficiary (or either of them) and used in connection with, and located upon, the real estate.

15.3 Upon default hereunder and acceleration of the Indebtedness pursuant to the provisions hereof, Mortgagee may at its discretion require Mortgagor to assemble the collateral and make it available to Mortgagee at a place reasonably convenient to both parties to be designated by Mortgagee.

15.4 Mortgagee shall give Mortgagor notice, by registered mail, postage prepaid, of the time and place of any public sale of any of the collateral or of the time after which any private sale or other intended disposition thereof is to be made by sending notice to Mortgagor at least five days before the time of the sale or other disposition, which provisions for notice Mortgagor and Mortgagee agree are reasonable, provided, however, that nothing herein shall preclude Mortgagee from proceeding as to both real estate and personal property in accordance with Mortgagee's rights and remedies in respect to the real estate as provided in Section 9-501(4) of Chapter 26 of the Illinois Revised Statutes.

15.5 Mortgagor shall reimburse Mortgagee for all costs, charges and fees, including legal fees incurred by Mortgagee in preparing and filing security agreements, extension agreements, financing statements, continuation statements, termination statements and chattel searches.

15.6 This Mortgage constitutes a Security Agreement as that term is used in the Illinois Uniform Commercial Code Chapter 26, Illinois Revised Statutes.

ARTICLE XVI

MISCELLANEOUS

16.1 The rights of Mortgagee arising under the provisions and covenants contained in this Mortgage, and the Note and other documents securing the Indebtedness or any part thereof shall be separate, distinct and cumulative and none of them shall be in exclusion of the others. No act of Mortgagee shall be construed as an election to proceed under any one provision, anything herein or otherwise to the contrary notwithstanding.

16.2 A waiver in one or more instances of any of the terms, covenants, conditions or provisions hereof, or of the Note or any other documents given by Mortgagor to secure the Indebtedness, or any part thereof, shall apply to the particular instance or instances and at the particular time or times only, and no such waiver shall be deemed a continuing waiver but all of the terms,

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covenants, conditions and other provisions of this Mortgage and of such other documents shall survive and continue to remain in full force and effect. No waiver shall be asserted against Mortgagee unless in writing signed by Mortgagee.

16.3 No change, amendment, modification, cancellation or discharge hereof, or any part hereof, shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns.

16.4 All notices, demands and requests given or required to be given by either party hereto to the other party shall be in writing. All notices, demands and requests by Mortgagee to Mortgagor, or vice-versa, shall be given as set forth in the Loan Agreement.

16.5 Nothing herein contained shall be construed as constituting Mortgagee a mortgagee in possession in the absence of the actual taking of possession of the Property.

16.6 This Mortgage shall be governed by the laws of the State of Illinois, which laws shall also govern and control the construction, enforceability, validity and interpretation of this Mortgage.

16.7 All of the covenants hereof shall run with the land.

16.8 If the voluntary sale, or transfer by operation of law, or otherwise, of all or any part of the Property shall occur, Mortgagee is hereby authorized and empowered to deal with such vendee or transferee with reference to said Property, or the indebtedness secured hereby, or with reference to any of the terms or conditions hereof, as fully and to the same extent as it might with the Mortgagor, without in any way releasing or discharging Mortgagor from Mortgagor's covenants and undertakings hereunder, and without Mortgagee waiving its rights to accelerate the Note or declare an Event of Default hereunder.

16.9 If any action or proceeding shall be instituted to evict Mortgagor or recover possession of the Property or any part thereof, or for any other purpose affecting the Property or this Mortgage, or if any notice relating to a proceeding or a default is served on Mortgagor, Mortgagor will immediately, upon service thereof on or by Mortgagor, deliver to Mortgagee a true copy of each notice, petition, or other paper or pleading, however designated.

16.10 It being the desire and intention of the parties hereto that this Mortgage and the lien thereof do not merge in fee simple title to the Property, it is hereby understood and agreed that should Mortgagee acquire any additional or other interest in or to the Property or the ownership thereof, then, unless a contrary intent is expressly manifested by Mortgagee as evidenced by an appropriate document duly recorded, this Mortgage and the lien thereof shall not merge in the fee simple title toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

16.11 Each and all of the covenants and obligations of this Mortgage shall be binding upon and inure to the benefit of the parties hereto, and except as herein otherwise specifically provided, their respective successors and assigns, subject at all times nevertheless to all agreements and restrictions herein contained with respect to the transfer of Mortgagor's interest in the Property covered by this Mortgage.

16.12 If one or more of the provisions of this Mortgage shall be invalid, illegal or unenforceable in any respect, such provision shall be deemed to be severed from this Mortgage and the validity, legality and enforceability of the remaining provisions contained herein, shall not in any way be affected or impaired thereby.

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Without limiting the generality of the foregoing, any provision herein, or in the Note to the contrary notwithstanding, Mortgagee shall in no event be entitled to receive or collect, nor shall or may amounts received hereunder be credited, so that Mortgagee shall be paid, as interest, a sum greater than the maximum amount permitted by law. If any construction of this Mortgage of the Note indicates a different right given to Mortgagee to ask for, demand or receive any larger sum, as interest, such as a mistake in calculation or in wording, which this clause shall override and control, and proper adjustment shall automatically be made accordingly.

16.13 Time is of the essence of this Mortgage and of the performance by Mortgagor of its obligations hereunder.

16.14 This Mortgage is given to secure not only the Indebtedness, but also future advances, loan commissions, service charges, liquidated damages, attorneys fees and other expenses made or incurred by Mortgagee in connection with the Indebtedness all in accordance with the Note, Mortgage, Loan Agreement, and the Loan Documents, as defined in the Loan Agreement, to the same extent as if such future advances were made on the date of execution of this Mortgage; provided, however, the total amount of Indebtedness that may be so secured may decrease or increase from time to time, but all Indebtedness secured hereby shall, in no event, exceed five (5) times the face amount of the Note.

16.15 Mortgagee shall be entitled, but not obligated, to rely upon Mortgagor's representations and warranties and the representations and warranties of its agent and consultants. Mortgagor shall take all necessary actions to determine for itself and to remain aware of the environmental condition of the Property, Mortgagor's compliance with Environmental Laws and the satisfaction and disposition of Environmental Actions. Mortgagor shall have no right to rely upon any environmental investigations or findings made by Mortgagee and/or its agents and/or consultants.

16.16 Mortgagor agrees to indemnify, defend (at trial and appellate levels and with counsel, experts and consultants acceptable to Mortgagee and at Mortgagor's sole cost and expense) and hold Mortgagee and its Affiliates (as hereinafter defined) free and harmless from and against Mortgagee's Environmental Liability (as hereinafter defined).

For purposes of this Mortgage:

"Mortgagee's Environmental Liability" means:

all injuries, losses, liabilities, obligations, penalties, claims, fines, litigation, demands, defenses, costs, judgments, suits, proceedings, damages (including consequential damages), disbursements or expenses of any kind or nature whatsoever (including without limitation, attorneys' fees at trial and appellate levels and experts' and consultants' fees, costs, disbursements and expenses incurred in investigating, defending against or prosecuting any penalty, claim, litigation, demand, defense, complaint, investigation, or proceeding) which may at any time be imposed upon, incurred by or asserted or awarded against Mortgagee or any of Mortgagee's parent and/or subsidiary corporations, and their affiliates, shareholders, directors, officers, employees, agents, successors and assigns (all the foregoing collectively called "Affiliates") in connection with or arising from:

(i) the exposure, release, use, generation, manufacture, sale, transportation to or from, handling, storage, treatment, recycling, reclamation, reuse, presence, emission or disposal of any Hazardous Material on, in under or affecting all or any portion(s) of the Property and any surrounding areas thereto;

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(ii) any misrepresentation, inaccuracy or breach of any representation, warranty, covenant or agreement contained or referred to in this Section;

(iii) any violation or claim of violation by Mortgagor or Beneficiary of any Environmental Laws:

(iv) any Environmental Actions; or

(v) the imposition of any lien for damages caused by, or the recovery of any costs incurred for the investigation and/or remediation and/or cleanup of any release or threatened release of Hazardous Material.

Mortgagor, its successors and assigns, hereby waive, release and agree not to make any claim or bring any cost recovery action against Mortgagee or its Affiliates under any Environmental Laws. To the extent that Mortgagee is strictly liable under any Environmental Laws or Environmental Actions, Mortgagor's obligation to Mortgagee under this indemnity shall likewise be without regard to fault on the part of Mortgagor or Mortgagee with respect to the violation or condition which results in liability to Mortgagee. The foregoing indemnification, defense and hold harmless obligations of Mortgagor for any Mortgagee's Environmental Liability shall survive repayment of the Note and any transfer of the Property, including but not limited to transfer by foreclosure or by a deed in lieu of foreclosure, and shall in no way impair, reduce, modify or amend any right or rights of indemnification which Mortgagee and/or its Affiliates have, or in the future may have, pursuant to that certain Environmental Certificate of even date herewith by Beneficiary and the general partners of Beneficiary in favor of Mortgagee.

16.17 This Mortgage is executed by The Winnetka Bank, not personally but as trustee under Trust No. R-596 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 contained herein or in the Note, or in any other instrument given to evidence the Indebtedness secured hereby shall be construed as creating any liability on the part of said Trustee or on any Beneficiary or said Trust personally to pay said Note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant, either express or implied, herein contained, all such liability, if any, being hereby expressly waived by the Mortgagee hereunder, the legal owners or holders of the Note, and by every person now or hereafter claiming any right or security hereunder; and that so far as said Trustee personally is concerned, the legal holders of the Note and the owner or owners of any Indebtedness accruing hereunder shall look solely to the Property hereby mortgaged or conveyed for the payment thereof, by the enforcement of the lien created in the manner herein and in said Note provided or by action to enforce the personal liability of the guarantors.

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IN WITNESS WHEREOF, Mortgagor has caused this instrument to be executed on the day and year first above written.

FIRST CHICAGO BANK OF WINNETKA F/K/A*
THE WINNETKA BANK, not personally
but as Trustee as aforesaid

Attest:

Anita E. Morris

Its: Asst. Secretary

By: D. Bruce Magers

Its: Vice President

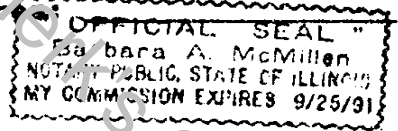
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY, that the above named D. Bruce Magers and Anita E. Morris of The Winnetka Bank,* personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice President and Assistant Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Bank, as Trustee as aforesaid, for the uses and purposes herein set forth; and the said Vice President and Assistant Secretary then and there acknowledged that said Assistant Secretary Secretary, as custodian of the corporate seal and voluntary act and said Assistant Secretary Secretary's own free and voluntary act and as the free and voluntary act of said Bank for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 28th day of March, 1990.

Barbara A. McMillen
Notary Public

My Commission Expires



ATTACHED EXONERATION RIDER
IS INCORPORATED HEREIN

EXCULPATION: This Mortgage is executed by First Chicago Bank of Winnetka, a Corp. of Ill., as Trustee under Trust Agreement dated 10/15/85 and known as number R-596, not personally, but solely as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such trustee (and said Mortgagor 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 the said Mortgagor personally to pay the Note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant either expressed or implied herein contained, all such personal liability, if any, being expressly waived by Mortgagee and by every person now or hereafter claiming any right or security hereunder, and that so far as Mortgagor is personally concerned, the legal holder or holders of the Note and the owner or owners of any indebtedness accruing hereunder shall look to the premises hereby conveyed for the payment thereof by the enforcement of the lien hereby created in the manner herein and in the Note provided and to any other security given for the indebtedness evidenced by the Note.

ATTACHED EXONERATION RIDER
IS INCORPORATED HEREIN
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EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL ONE:

The North 93 feet of the South 146 feet of that part of Block 26 in the Village of Winnetka, lying West of the East line of Lot 7 in Oak Knoll Subdivision of part of said Block 26 in the North East 1/4 of the North East 1/4 of Section 20, Township 42 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois

PARCEL TWO:

The South 53 feet of part of Block 26 in the Village of Winnetka lying West of the East line of Lot 7 in Oak Knoll Subdivision of said part of Block 26 in the North East 1/4 of the North East 1/4 of Section 20, Township 42 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois

PARCEL THREE:

Lot 6 (except the North 41 feet taken for Chestnut Court) in Oak Knoll Subdivision of that part of Block 26 in Village of Winnetka in the North East 1/4 of Section 20, Township 42 North, Range 13 East of the Third Principal Meridian, described as follows:

Commencing at a point 37 feet East of the North East Corner of Chestnut and Oak Streets; thence North 187 feet; Thence East and parallel with the South line of said Block 150 feet; Thence South 30 feet; Thence East 8 feet; Thence South 32 feet; Thence West 8 feet; Then South 125 feet; Thence West 150 feet to the Point of Beginning, according to the Plat of said Oak Knoll Subdivision recorded in the Office of the Recorder of Cook County, Illinois in Book 119 of Plats Page 26 as Document 4991672 all in Cook County, Illinois.

Permanent Tax Number: 05-20-212-008, 05-20-212-009, 05-20-212-010
05-20-212-011, 05-20-212-012

Property Address: 503-507 Chestnut, Winnetka, Illinois