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COMBINATION MORTGAGE, SECURITY AGREEMENT AND FIXTURE FINANCING STATEMENT

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This Mortgage is made as of this 2nd day of May, 1990, by NSM PARTNERS, a Minnesota general partnership (herein called the "Mortgagor") for the benefit of AID ASSOCIATION FOR LUTHERANS, a Wisconsin corporation (herein called the "Mortgagee").

The Mortgagor is indebted to the Mortgagee, as evidenced by a Mortgage Note of even date herewith (the "Note") in the aggregate principal sum of \$1,617,000 together with interest at an annual rate of ten and one-eighth percent (10.125%), with principal and interest of the Note being payable at the office of the Mortgagee as more specifically set forth therein.

To secure payment and performance of the Note, the Mortgagee has required the execution and delivery hereof and of an Assignment of Rents and Leases of even date herewith assigning to the Mortgagee all of the Mortgagor's interest under any leases of the Mortgaged Property (the "Assignment"). This Mortgage, the Assignment, and all other documents given as security for the Note are referred to collectively as the "Security Documents" and singularly as a "Security Document."

In consideration of the sum of \$1,617,000 to the Mortgagor in hand paid, and for the purpose of securing (a) the repayment of the indebtedness evidenced by the Note, and all renewals, extensions, and modifications thereof and any note issued in substitution therefor; (b) the payment of all other sums with interest thereon as may be advanced by the Mortgagee in accordance with the Security Documents (the indebtedness evidenced by the Note and all such other sums are hereinafter collectively referred to as the "Indebtedness"); and (c) the performance of all the covenants and agreements of the Mortgagor contained in the the Note or the Security Documents, the Mortgagor does hereby mortgage, grant, bargain, sell, assign, transfer and convey unto the Mortgagee forever all the tracts or parcels of land (hereinafter called the "Land"), located in Cook County, Illinois, and described in Exhibit A attached hereto and made a part hereof, together with (i) all of the buildings, structures and other improvements now standing or at any time hereafter constructed or placed upon the Land; and (ii) all lighting, heating, ventilating, air-conditioning, sprinkling and plumbing fixtures, water and power systems, engines and machinery, boilers, furnaces, oil burners, elevators and motors, communication systems, dynamos, transformers, electrical equipment and all other fixtures of every description located in or on, or used, or intended to be

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used in connection with the Land or any building now or hereafter located thereon (excluding, however, fixtures owned by tenants occupying space in any building now or hereafter located on the Land); and (iii) all hereditaments, easements, appurtenances, riparian rights, rents, issues, profits, condemnation awards, mineral rights and water rights now or hereafter belonging or in any way pertaining to the Land or to any building now or hereafter located thereon and all the estates, rights and interests of the Mortgagor in the Land; (iv) all building materials, furniture, furnishings, maintenance equipment and all other personal property now or hereafter located in, or on, or used, or intended to be used in connection with the Land or any building now or hereafter located thereon and all replacements and additions thereto (excluding personal property owned by tenants occupying space in any building now or hereafter located on the Land); (v) all additions, accessions, increases, parts, fittings, accessories, replacements, substitutions, betterments, repairs and proceeds to any and all of the foregoing; and (vi) all of Mortgagor's rights and interest under that certain License for Roadway on Right of Way dated April 18, 1990, between The Atchinson, Topeka and Santa Fe Railway Company, and Mortgagor (all of the foregoing, together with the Land, are hereinafter referred to as the "Mortgaged Property").

To Have and To Hold the Mortgaged Property unto the Mortgagee forever; provided, nevertheless, that this Mortgage is upon the express condition that if the Mortgagor shall pay to the Mortgagee as and when due and payable the principal of and interest on the Note and all other Indebtedness, and shall also keep and perform each and every covenant and agreement of the Mortgagor herein contained, then, this Mortgage and the estate hereby granted shall cease and be and become void and shall be released of record at the expense of the Mortgagor; otherwise this Mortgage shall be and remain in full force and effect.

The Mortgagor represents, warrants and covenants to and with the Mortgagee that it is lawfully seized of the Land in fee simple and has good right and full power and authority under all applicable provisions of law and under its Partnership Agreement to execute this Mortgage and to mortgage the Mortgaged Property; that the Mortgaged Property is free from all liens, security interests and encumbrances except as listed in Exhibit B attached hereto; that the Mortgagor will warrant and defend the title to the Mortgaged Property and the lien and priority of this Mortgage against all claims and demands of all persons whomsoever, whether now existing or hereafter arising, not listed in Exhibit B; and that all

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buildings and improvements now or hereafter located on the Land are, or will be located entirely within the boundaries of the Land. The covenants and warranties of this paragraph shall survive foreclosure of this Mortgage and shall run with the Land.

The Mortgagor further covenants and agrees as follows:

1. Payment of the Note. The Mortgagor will duly and punctually pay the principal, interest, and premium, if any, on the Note in accordance with the terms of the Note, and all other indebtedness, when and as due and payable. The provisions of the Note are hereby incorporated by reference into this Mortgage as fully as if set forth at length herein.

2. Fund for Taxes and Assessments.

(a) The Mortgagor shall pay to the Mortgagee on the day monthly installments of interest or principal and interest are payable under the Note, until the Note is paid in full, a sum equal to one-twelfth of the yearly taxes and assessments levied against the Mortgaged Property as estimated initially and from time to time by the Mortgagee, to be applied by the Mortgagee to pay said taxes and assessments (such amounts being hereafter referred to as the "Funds"). The Mortgagee shall apply the Funds to pay said taxes and assessments prior to the date that penalty attaches for nonpayment so long as the amount of Funds held by the Mortgagee is sufficient at that time to make such payments. No earnings or interest shall be payable to the Mortgagor on the Funds. Such Funds shall not be, nor be deemed to be, trust funds, and the Mortgagee shall have the right to hold the Funds in any manner the Mortgagee elects and may commingle the Funds with other moneys held by the Mortgagee.

(b) If the amount of the Funds held by the Mortgagee shall exceed at any time the amount deemed necessary by the Mortgagee to provide for the payment of taxes and assessments, such excess shall, at the option of the Mortgagee, either be promptly repaid to the Mortgagor or be credited to the Mortgagor on the next monthly installment of Funds due. If at any time the amount of the Funds held by the Mortgagee shall be less than the amount deemed necessary by the Mortgagee to pay taxes and assessments as they fall due, the Mortgagor shall promptly pay to the Mortgagee any amount necessary to make up the deficiency upon notice from the Mortgagee to the Mortgagor requesting payment thereof. The Funds are pledged as additional security for the Indebtedness.

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(c) Upon the occurrence of any Event of Default (as defined in paragraph 18 hereof) the Mortgagee may apply in any order as the Mortgagee shall determine in its sole discretion, any Funds held by the Mortgagee at the time of application to pay taxes and assessments which are then or will thereafter become due or as a credit against the Indebtedness. Upon payment in full of all Indebtedness, the Mortgagee shall promptly refund to the Mortgagor any Funds held by the Mortgagee.

3. Application of Payments. All payments received by the Mortgagee from the Mortgagor under the Note or the Security Documents, shall be applied by the Mortgagee in the following order of priority: (i) amounts payable to the Mortgagee by the Mortgagor under paragraph 2 hereof; (ii) interest payable on advances made pursuant to paragraph 13 hereof; (iii) principal of advances made pursuant to paragraph 13 hereof; (iv) interest payable on the Note; (v) principal of the Note; (vi) any other sums secured by this Mortgage, in such order of application as the Mortgagee may determine.

4. Payment of Taxes, Assessments and Other Charges. Subject to payments in the manner provided under paragraph 2 hereof and to paragraph 9 relating to contests, the Mortgagor shall pay before a penalty might attach for nonpayment thereof, all taxes and assessments and all other charges whatsoever levied upon or assessed or placed against the Mortgaged Property, except that assessments may be paid in installments so long as no fine or penalty is added to any installment for the nonpayment thereof. The Mortgagor shall likewise pay any and all governmental levies or assessments such as levies or charges resulting from covenants, conditions and restrictions affecting the Mortgaged Property, which are assessed or imposed upon the Mortgaged Property or any part thereof or become due and payable, and which create, may create or appear to create a lien upon the Mortgaged Property, or any part thereof. The Mortgagor shall likewise pay all taxes, assessments and other charges, levied upon or assessed, placed or made against, or measured by, this Mortgage, or the recordation hereof, or the Indebtedness secured hereby. In the event of any legislative action or judicial decision after the date of this Mortgage, imposing upon the Mortgagee the obligation to pay any such taxes, assessments or other charges, or deducting the amount secured by this Mortgage from the value of the Mortgaged Property for the purpose of taxation, or changing in any way the laws now in force for the taxation of mortgages, deeds of trust or debts secured thereby, or the manner of the operation of any such taxes so as to affect the interests of the Mortgagee, then, and in such event, the Mortgagor shall bear and pay the full amount of such taxes, assessments or other charges. Notwithstanding the foregoing provisions of this paragraph 4, if for any reason

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payment by the Mortgagor of any such taxes, assessments or other charges would be unlawful, or if the payment thereof would render the indebtedness evidenced by the Note usurious, the Mortgagee may declare the whole sum secured by this Mortgage, with interest thereon, to be immediately due and payable. The Mortgagor shall promptly furnish to the Mortgagee all notices received by the Mortgagor of amounts due under this paragraph and in the event the Mortgagor shall make payment directly, the Mortgagor shall promptly furnish to the Mortgagee receipts evidencing such payments.

5. Payment of Utility Charges. Subject to paragraph 9 relating to contests, the Mortgagor shall pay all charges (exclusive of charges which are the obligations of tenants to pay) made by utility companies, whether public or private, for electricity, gas, heat, water, or sewer, furnished or used in connection with the Mortgaged Property or any part thereof, and will, upon written request of the Mortgagee, furnish proper receipts evidencing such payment.

6. Liens. Subject to paragraph 9 hereof relating to contests, the Mortgagor shall not create, incur or suffer to exist any lien, encumbrance or charge on the Mortgaged Property or any part thereof which might or could be held to be equal or prior to the lien of this Mortgage, other than the liens set forth in Exhibit B hereto. The Mortgagor shall pay, when due, the claims of all persons supplying labor or materials to or in connection with the Mortgaged Property.

7. Compliance with Laws. Subject to paragraph 9 relating to contests, the Mortgagor shall comply with all present and future statutes, laws, rules, orders, regulations and ordinances affecting the Mortgaged Property, any part thereof or the use thereof.

## 8. Hazardous Materials.

(a) Representations and Warranties. The Mortgagor represents and warrants to the Mortgagee that to the best of the Mortgagor's knowledge (i) there is not present, in or under the Land or any improvements thereon any asbestos, urea-formaldehyde foamed-in-place insulation, polychlorinated biphenyls ("PCBs") or any other hazardous substances or materials, including, but not limited to, hazardous substances or materials under the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act, the Resource Conservation and Recovery Act, the Illinois Environmental Protection Act, or any other federal, state or local statute, regulation, code or ordinance (hereinafter asbestos, urea-formaldehyde

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foamed-in-place insulation, PCBs and all hazardous substances and materials are collectively referred to as "Hazardous Materials"), (ii) all reports and notices required by any statute, regulation, code or ordinance referred to in (i) above have been duly made, and all permits, licenses and authorizations which are required by any statute, regulation, code or ordinance referred to in (i) above have been obtained and are in full force and effect, (iii) the Land and any improvements thereon have not in the past been used, are not presently being used, and will not in the future (for so long as the Mortgagor owns the same) be used for the handling, storage, transportation, release or disposal of any Hazardous Materials, and (iv) no investigation, administrative proceeding, litigation or other action has been proposed, threatened or brought alleging the presence, handling, storage, transportation, release or disposal of Hazardous Materials in or under the Land or any improvements thereon. Notwithstanding (iii) above, the Mortgagor or any tenant of the Mortgagor may use or store Hazardous Materials on the Land provided that such use or storage complies at all times with all applicable statutes, regulations, codes and ordinances and is incidental to the Mortgagor's or such tenant's use of the Land and any improvements thereon.

(b) Indemnification. The Mortgagor agrees to indemnify, defend and hold harmless the Mortgagee, its directors, officers, employees, agents, successors and assigns from and against any and all claims, losses, damages, liabilities, penalties, orders and expenses (including attorneys' fees of Mortgagee's counsel) as a result of any past, present or future existence, use, handling, storage, transportation, release or disposal of Hazardous Materials. The indemnification provided herein shall be a recourse obligation of the Mortgagor notwithstanding any nonrecourse provisions applicable to the Note and shall survive the Mortgagor's payment in full of the Indebtedness, the Mortgagee's foreclosure of this Mortgage, the Mortgagee's acceptance of a deed in lieu of foreclosure and/or the Mortgagee's sale of the Mortgaged Property.

(c) Hazardous Materials Report. Unless previously delivered by the Mortgagor to the Mortgagee, the Mortgagee, at its sole option, may obtain, at the Mortgagor's expense, a report from a reputable environmental consultant of the Mortgagee's choice as to the presence of any Hazardous Materials and as to whether the Land or any improvements thereon have been or are presently being used for the handling, storage, transportation, release or disposal of Hazardous Materials. If such report indicates the presence

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of Hazardous Materials or any past or present use, handling, storage, transportation, release or disposal of Hazardous Materials, the Mortgagee may require that violation of any statute, regulation, code or ordinance be remedied and/or that the Mortgagor obtain any necessary environmental permits.

(d) Legal Proceedings and Remedial Actions. The Mortgagor shall immediately notify the Mortgagee in writing of any investigation, administrative proceeding, litigation or other action proposed, threatened or brought alleging the presence, handling, storage, transportation, release or disposal of Hazardous Materials in or under the Land or any improvements thereon. The Mortgagee shall have the right, but not the obligation, to join and participate in any such investigation, administrative proceeding, litigation or other action and to have its attorneys' fees in connection therewith paid by the Mortgagor. Without the Mortgagee's prior written consent, the Mortgagor shall not take any remedial action or enter into any settlement or other compromise with respect to any investigation, administrative proceeding, litigation or other action which, in the Mortgagee's reasonable judgment, may impair the value of the Mortgagee's security under this Mortgage.

9. Permitted Contests. The Mortgagor shall not be required to (i) pay any tax, assessment or other charge referred to in paragraph 4 hereof, (ii) pay any charge referred to in paragraph 5 hereof, (iii) discharge or remove any lien, encumbrance or charge referred to in paragraph 6 hereof, or (iv) comply with any statute, law, rule, regulation or ordinance referred to in paragraph 7 hereof, so long as the Mortgagor shall (a) contest, in good faith, the existence, amount or the validity thereof, the amount of damages caused thereby or the extent of its liability therefor, by appropriate proceedings which shall operate during the pendency thereof to prevent (A) the collection of, or other realization upon the tax, assessment, charge or lien, encumbrance or charge so contested, (B) the sale, forfeiture or loss of the Mortgaged Property or any part thereof, and (C) any interference with the use or occupancy of the Mortgaged Property or any part thereof, and (b) shall give such security to the Mortgagee as may be demanded by the Mortgagee to ensure compliance with the foregoing provisions of this paragraph 9. The Mortgagor shall give prompt written notice to the Mortgagee of the commencement of any contest referred to in this paragraph 9.

## 10. Insurance.

(a) Risks to be Insured. The Mortgagor, at its sole cost and expense, will maintain insurance of the following character:

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(i) Insurance on the buildings and other improvements now existing or hereafter erected on the Land and on the fixtures and personal property included in the Mortgaged Property against loss by fire, and other hazards covered by the so-called "all-risk" form of policy without a co-insurance clause in an amount equal to the actual replacement cost thereof (exclusive of foundations and excavations) without deduction for physical depreciation, but in no event less than an amount equal to \$1,079,000. The Mortgagor will at its sole cost and expense, from time to time and at any time, at the request of the Mortgagee, provide the Mortgagee with evidence satisfactory to the Mortgagee of the replacement cost of the Mortgaged Property. While any building or other improvement is in the course of being constructed or rebuilt on the Land, the Mortgagor shall provide the aforesaid hazard insurance in builder's risk completed value form, including coverage available on the so-called "all-risk" non-reporting form of policy for an amount equal to 100% of the insurable replacement value of such building or other improvements.

(ii) If the Mortgaged Property includes steam boilers or other equipment for the generation or transmission of steam, insurance against loss or damage by explosion, rupture or bursting of steam boilers, pipes, turbines, engines and other pressure vessels and equipment, in an amount satisfactory to the Mortgagee, without a co-insurance clause.

(iii) If the Land or any part thereof is located in a designated official flood-hazardous area, flood insurance insuring the buildings and improvements now existing or hereafter erected on the Land in an amount equal to the lesser of the principal balance of the Note or the maximum limit of coverage made available with respect to such buildings and improvements under the Federal Flood Disaster Protection Act of 1973, as amended, and the regulations issued thereunder.

(iv) Comprehensive general liability insurance in an amount not less than \$1,000,000 protecting against claims arising from any accident or occurrence in or upon the Mortgaged Property.

(v) While any building or improvement is in the course of being constructed, renovated or rebuilt on the Land, such worker's compensation insurance as is required by statute.

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(vi) Insurance in an amount not less than \$303,000 to cover loss, total or partial, of rentals and other revenues derived from the Mortgaged Property.

(b) Policy Provisions. All insurance policies and renewals thereof maintained by the Mortgagor pursuant to subparagraphs (a)(i) through (a)(iii) and (a)(vi) above shall be written by an insurance carrier satisfactory to the Mortgagee, contain a standard mortgagee clause in favor of and in form acceptable to the Mortgagee, contain an agreement of the insurer that it will not cancel or modify the policy except after 30 days' prior written notice to the Mortgagee, and be reasonably satisfactory to the Mortgagee in all other respects. The insurance maintained pursuant to subparagraphs (a)(iv) and (a)(v) shall also be written by an insurance carrier acceptable to the Mortgagee.

(c) Delivery of Policy. The Mortgagor will deliver to the Mortgagee copies of policies satisfactory to the Mortgagee evidencing the insurance which is required under subparagraphs (a)(i) through (a)(iii) and (a)(vi), certificates evidencing the insurance which is required under subparagraphs (a)(iv) and (a)(v), and the Mortgagor shall promptly furnish to the Mortgagee copies of all renewal notices and all receipts of paid premiums received by it. At least 30 days prior to the expiration date of a required policy, the Mortgagor shall deliver to the Mortgagee a copy of a renewal policy in form satisfactory to the Mortgagee. If the Mortgagor has a blanket insurance policy in force providing coverage for several properties of the Mortgagor, including the Mortgaged Property, the Mortgagee will accept a certificate of such insurance together with a copy of such blanket insurance policy; provided the certificate sets forth the amounts of insurance and coverage, and such amounts are at least equal to the amounts required hereinabove, the original policy of insurance is written by a carrier or carriers acceptable to the Mortgagee, insures against the risks set forth hereinabove, cannot be amended, modified or cancelled without thirty (30) days' prior written notice to any mortgagee of the Mortgagor, is in an amount not less than the unpaid principal balance secured by this Mortgage, and has a full replacement cost endorsement meeting the requirements of paragraph 10(a)(i).

(d) Assignment of Policy. If the Mortgaged Property is sold at a foreclosure sale or if the Mortgagee shall acquire title to the Mortgaged Property, the Mortgagee shall have all of the right, title and interest of the Mortgagor in and to any insurance policies required under

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subparagraphs 10(a)(i) through (a)(iii) and (a)(vi) hereof and the unearned premiums thereon and in and to the proceeds resulting from any damage to the Mortgaged Property prior to such sale or acquisition.

(e) Notice of Damage or Destruction; Adjusting Loss. If the Mortgaged Property or any part thereof shall be damaged or destroyed by fire or other casualty, the Mortgagor will promptly give written notice thereof to the insurance carrier and the Mortgagee, and will not adjust any damage or loss which is estimated by the Mortgagee in good faith to exceed \$25,000 unless the Mortgagee shall have joined in such adjustment; but if there has been no adjustment of any such damage or loss within four months from the date of occurrence thereof and if an Event of Default shall exist at the end of such four-month period or at any time thereafter, the Mortgagee may alone, make proof of loss, adjust and compromise any claim under the policies and appear in and prosecute any action arising from such policies. In connection therewith, the Mortgagor does hereby irrevocably authorize, empower and appoint the Mortgagee as attorney-in-fact for the Mortgagor (which appointment is coupled with an interest) to do any and all of the foregoing in the name and on behalf of the Mortgagor.

(f) Application of Insurance Proceeds. If sums are paid under any insurance policy required in subparagraphs 10(a)(i) through (a)(iii) and (vi) to compensate for damage to the Mortgaged Property in an amount less than \$50,000, such sums, after deducting therefrom any expenses incurred in the collection thereof, shall be used to reimburse the Mortgagor for the cost of rebuilding or restoration of buildings or improvements on the Mortgaged Property, provided that the following conditions apply:

- (i) the damage or destruction to the Mortgaged Property does not result in cancellation or termination of any lease which is or may be prior to the lien of this Mortgage,
- (ii) such leases require Mortgagor to rebuild or restore the buildings and improvements on the Mortgaged Property, and
- (iii) no Event of Default exists under this Mortgage.

In all other cases, all sums paid under any insurance policy required in subparagraphs 10(a)(i) through (a)(iii) and (a)(vi) shall be paid to the Mortgagee. The Mortgagee shall at its

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option apply the same, whether or not its security is impaired (after first deducting therefrom the Mortgagee's expenses incurred in collecting the same including but not limited to reasonable attorneys' fees) to the reduction of the Indebtedness or to the payment of the restoration, repair, replacement or rebuilding of the Mortgaged Property that is damaged or destroyed, in such manner as the Mortgagee may determine. Any application of insurance proceeds shall not extend or postpone the due dates of the monthly installments payable under the Note or change the amount of such installments.

(g) Reimbursement of the Mortgagee's Expenses. The Mortgagor shall promptly reimburse the Mortgagee upon demand for all of the Mortgagee's expenses incurred in connection with the collection of the insurance proceeds, including but not limited to reasonable attorneys' fees, and all such expenses, together with interest from the date of disbursement at the rate stated in the Note (unless collection of interest from the Mortgagor at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from the Mortgagor under applicable law) shall be additional amounts secured by this Mortgage.

11. Preservation and Maintenance of the Mortgaged Property. The Mortgagor (i) shall keep the buildings and other improvements now or hereafter erected on the Land in safe and good repair and condition, ordinary depreciation excepted; (ii) shall, upon damage to or destruction of the Mortgaged Property or any part thereof by fire or other casualty, restore, repair, replace or rebuild the Mortgaged Property that is damaged or destroyed to the condition it was in immediately prior to such damage or destruction, whether or not any insurance proceeds are available or sufficient for such purpose, unless the Mortgagee shall have elected to apply such proceeds to reduction of the Indebtedness; (iii) shall constantly maintain the parking and landscaped areas of the Mortgaged Property; (iv) shall not commit waste or permit impairment or deterioration of the Mortgaged Property; (v) shall not alter or permit the alteration by any tenant of the design or structural character of any building now or hereafter erected on the Land or hereafter construct, or permit any tenant to construct, additions to existing buildings or additional buildings on the Land without the prior written consent of the Mortgagee; (vi) shall not remove from the Land any of the fixtures and personal property included in the Mortgaged Property unless the same is immediately replaced with property of at least equal value and utility, and this Mortgage becomes a valid first lien on such property.

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12. Inspection. The Mortgagee, or its agents, shall have the right during normal business hours upon two (2) days' prior notice to enter upon the Mortgaged Property for the purposes of inspecting the Mortgaged Property or any part thereof. The Mortgagee shall, however, have no duty to make such inspection. If maintenance of the Mortgaged Property is found to be inadequate, the Mortgagee shall determine the estimated cost of such repairs and replacements necessary to protect and preserve the rentability and useability of the Mortgaged Property. In such event, at the option of the Mortgagee and within fifteen (15) days after written demand therefor, a sum equal to the amount of such estimated cost shall thereupon become due and payable by Mortgagor to be applied upon the indebtedness unless within such period the Mortgagor, at its own cost and expense, shall have completed or shall have commenced and thereafter with diligence, completes such repairs and replacements. In such event, the Mortgagor shall also reimburse the Mortgagee the cost of such survey, the same being secured hereby. If the survey determines such maintenance to be adequate, then the cost therefor shall be at the expense of the Mortgagee.

13. Protection of the Mortgagee's Security. Subject to the rights of the Mortgagor under paragraph 9 hereof, if the Mortgagor fails to perform any of the covenants and agreements contained in this Mortgage or if any action or proceeding is commenced which affects the Mortgaged Property or the interest of the Mortgagee therein, or the title thereto, then the Mortgagee, at Mortgagee's option, may perform such covenants and agreements, defend against and/or investigate such action or proceeding, and take such other action as the Mortgagee deems necessary to protect the Mortgagee's interest. The Mortgagee shall be the sole judge of the legality, validity and priority of any claim, lien, encumbrance, tax, assessment, charge and premium paid by it and of the amount necessary to be paid in satisfaction thereof. The Mortgagee is hereby given the irrevocable power of attorney (which power is coupled with an interest and is irrevocable) to enter upon the Mortgaged Property as the Mortgagor's agent in the Mortgagor's name to perform any and all covenants and agreements to be performed by the Mortgagor as herein provided. Any amounts or expenses disbursed or incurred by the Mortgagee pursuant to this paragraph 13, with interest thereon, shall become additional Indebtedness of the Mortgagor secured by this Mortgage. Unless the Mortgagor and the Mortgagee agree in writing to other terms of repayment, such amounts shall be immediately due and payable, and shall bear interest from the date of disbursement at the annual rate stated in the Note, unless collection from the Mortgagor of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from the Mortgagor

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under applicable law. The Mortgagee shall, at its option, be subrogated to the lien of any mortgage or other lien discharged in whole or in part by the Indebtedness or by the Mortgagee under the provisions hereof, and any such subrogation rights shall be additional and cumulative security for this Mortgage. Nothing contained in this paragraph 13 shall require the Mortgagee to incur any expense or do any act hereunder, and the Mortgagee shall not be liable to the Mortgagor for any damages or claims arising out of action taken by the Mortgagee pursuant to this paragraph 13.

## 14. Condemnation.

(a) The Mortgagor hereby irrevocably assigns to the Mortgagee any award or payment which becomes payable by reason of any taking of the Mortgaged Property, or any part thereof, whether directly or indirectly or temporarily or permanently, in or by condemnation or other eminent domain proceedings (hereinafter called "Taking"). Forthwith upon receipt by the Mortgagor of notice of the institution of any proceeding or negotiations for a Taking, the Mortgagor shall give notice thereof to the Mortgagee. The Mortgagee may appear in any such proceedings and participate in any such negotiations and may be represented by counsel. The Mortgagor, notwithstanding that the Mortgagee may not be a party to any such proceeding, will promptly give to the Mortgagee copies of all notices, pleadings, judgments, determinations and other papers received by the Mortgagor therein. The Mortgagor will not enter into any agreement permitting or consenting to the taking of the Mortgaged Property, or any part thereof, or providing for the conveyance thereof in lieu of condemnation, with anyone authorized to acquire the same in condemnation or by eminent domain unless the Mortgagee shall first have consented thereto in writing. All Taking awards shall be adjusted jointly by the Mortgagor and the Mortgagee. All awards payable as a result of a Taking shall be paid to the Mortgagee, which may, at its option, apply them, after first deducting the Mortgagee's expenses incurred in the collection thereof, to the payment of the Indebtedness, whether or not due and in such order of application as the Mortgagee may determine, or to the repair or restoration of the Mortgaged Property, in such manner as the Mortgagee may determine. Any application of Taking awards to principal of the Note shall not extend or postpone the due dates of the monthly installments payable under the Note or change the amount of such installments.

(b) If the Taking involves a taking of any building or other improvement now or hereafter located on the Land, the Mortgagor shall proceed, with reasonable diligence, to

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demolish and remove any ruins and complete repair or restoration of the Mortgaged Property as nearly as possible to its respective size, type and character immediately prior to the Taking, whether or not the condemnation awards are available or adequate to complete such repair or restoration unless the Mortgagee has applied the entire condemnation award to payment of the Indebtedness. The Mortgagor shall promptly reimburse the Mortgagee upon demand for all of the Mortgagee's expenses (including reasonable attorney's fees) incurred in the collection of awards and their disbursement in accordance with this paragraph, and all such expenses, together with interest from the date of disbursement at the rate stated in the Note (unless collection of interest from the Mortgagor at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from the Mortgagor under applicable law) shall be additional amounts secured by this Mortgage.

15. Financial Statements and Other Information; Books and Records. The Mortgagor will prepare or cause to be prepared at its expense and deliver to the Mortgagee (in such number as may reasonably be requested):

(a) As soon as practicable after the end of each relevant fiscal year, and in any event within 90 days thereafter (i) a statement of the income from and expenses incurred with respect to the Mortgaged Property for such year, (ii) a balance sheet of the Mortgagor as of the end of such fiscal year consisting of the balance sheet of the Mortgagor and the related statements of income, retained earnings and changes in financial position of the Mortgagor for the fiscal year then ended, and (iii) financial statements for each of the general partners of Borrower, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared by an accountant selected by the Mortgagor and accompanied by a certificate of the Mortgagor that each such statement is true and correct.

(b) Immediately upon becoming aware of the existence of any condition or event which constitutes, or which after notice or lapse of time or both would constitute, an Event of Default, written notice specifying the nature and period of existence thereof and what action the Mortgagor has taken, is taking or proposes to take with respect thereto.

The Mortgagor shall keep and maintain at all times at the Mortgagor's address stated below or at such other place as the Mortgagee may approve in writing, complete and accurate books of accounts and records in sufficient detail to reflect correctly

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the results of the operation of the Mortgaged Property and copies of all written contracts, leases and other instruments which affect the Mortgaged Property. Such books, records, contracts, leases and other instruments shall be subject to examination and inspection by the Mortgagee or its representative during ordinary business hours upon two (2) days' prior notice. If the Mortgagor fails to provide the operating statements specified in subparagraph (a) above, the Mortgagee shall have the right to audit the Mortgagor's books and records at the Mortgagor's expense.

16. No Secondary Financing. The Mortgagor shall not create or permit to be created or to remain any subordinate lien on the Mortgaged Property or any part thereof to secure any indebtedness for borrowed money, without obtaining the prior written consent of the Mortgagee.

17. Security Interest. This Mortgage shall constitute a security agreement with respect to (and the Mortgagor hereby grants the Mortgagee a security interest in) all personal property and fixtures included in the Mortgaged Property as more specifically described in paragraphs (ii), (iv) and (v) of the granting clause above. The Mortgagor will from time to time, at the request of the Mortgagee, execute any and all financing statements covering such personal property and fixtures (in a form satisfactory to the Mortgagee) which the Mortgagee may reasonably consider necessary or appropriate to perfect its security interest.

18. Events of Default. Each of the following occurrences shall constitute an event of default hereunder (herein called an "Event of Default"):

(a) The Mortgagor shall fail to pay any installment of interest, principal, or premium, if any, payable under the Note, this Mortgage, or any other agreement between Mortgagor and Mortgagee, whether now or at any time hereafter existing, when the same shall become due and payable as therein expressed.

(b) The Mortgagor shall default in the performance of or breach its agreement contained in paragraph 16 hereof.

(c) The Mortgagor shall fail to duly and punctually pay when and as due any payment for taxes and assessments required by paragraph 2 to be paid or shall fail to provide the insurance coverage required by paragraph 10(a).

(d) The Mortgagor shall fail duly to perform or observe any of the covenants or agreements contained in this Mortgage, the Security Documents, or in any other

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agreement between Mortgagor and Mortgagee, whether now or at any time hereafter existing (other than a covenant or agreement or default in which is elsewhere in this paragraph 18 specifically dealt with), and such failure shall continue unremedied for 30 calendar days.

(e) The Mortgagor shall make an assignment for the benefit of its creditors, or the Mortgagor shall generally not be paying its debts as they become due, or a petition shall be filed by or against the Mortgagor under the United States Bankruptcy Code, or the Mortgagor shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of a material part of its properties or of the Mortgaged Property or shall not, within 30 days after the appointment (without its consent or acquiescence) of a trustee, receiver or liquidator of any material part of its properties or of the Mortgaged Property, have such appointment vacated.

(f) A judgment, writ or warrant of attachment or execution, or similar process shall be entered and become a lien on, issued or levied against, the Mortgaged Property or any part thereof and shall not be released, vacated or fully bonded within sixty (60) days after its entry, issue or levy.

(g) The Mortgaged Property, or any part thereof, shall be sold, conveyed, transferred, encumbered or full possessory rights therein transferred, or the interest of any partner in the Mortgagor shall be sold, conveyed, transferred or encumbered, whether voluntarily, involuntarily or by operation of law; this provision shall apply to each and every sale, transfer, conveyance or encumbrance regardless of whether or not the Mortgagee has consented or waived its rights, whether by action or omission, in connection with any previous sale, transfer, conveyance or encumbrance.

(h) An event of default, however defined, shall occur under any other mortgage, assignment or other security document constituting a lien on the Mortgaged Property or any part thereof.

(i) An event of default shall occur under that certain Combination Mortgage, Security Agreement and Fixture Financing Statement dated December 28, 1989, made by PIK Terminal Company, a Minnesota limited partnership, for the benefit of Mortgagee (Mortgagee's Loan No. 63780).

19. Default Remedies. Upon the occurrence of any Event of Default, the Mortgagee may, at its option, exercise one or more of the following rights and remedies (and any other rights and remedies available to it):



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(a) The Mortgagee may, by written notice to the Mortgagor, declare immediately due and payable all unmatured Indebtedness secured by this Mortgage, and the same shall thereupon be immediately due and payable, without further notice or demand.

(b) The Mortgagee shall have and may exercise with respect to all personal property and fixtures which are part of the Mortgaged Property, all the rights and remedies accorded upon default to a secured party under the Uniform Commercial Code, as in effect in the State of Illinois. If notice to the Mortgagor of intended disposition of such property is required by law in a particular instance, such notice shall be deemed commercially reasonable if given to the Mortgagor (in the manner specified in paragraph 23) at least 10 calendar days prior to the date of intended disposition. The Mortgagor shall pay on demand all costs and expenses incurred by the Mortgagee in exercising such rights and remedies, including without limitation reasonable attorneys' fees and legal expenses.

(c) The Mortgagee may (and is hereby authorized and empowered to) foreclose the lien of this Mortgage and pursue all remedies afforded to a mortgagee under and pursuant to the statutes of the State of Illinois.

(d) Upon or at any time after the filing of any complaint to foreclose this Mortgage, Mortgagor consents upon application by Mortgagee to the appointment of a receiver of the Mortgaged Property. Such appointment may be made either before or after sale without notice and without regard to the solvency or insolvency, at the time of application of such receiver, of the person or persons, if any, liable for the payment of the indebtedness secured hereby and without regard to the then value of the Mortgaged Property or whether the same shall be then occupied as a homestead or not, and without bond being required of the applicant. Such receiver shall have the power to take possession, control, and care of the Mortgaged Property and to collect the rents, issues and profits of the Mortgaged Property during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption (provided that the period of redemption has not been waived by Mortgagor), as well as during any further times when Mortgagor, its heirs, administrators, executors, successors, or assigns, except for the intervention of such receiver, would be entitled to collect such rents, issues, and profits, and all other powers which may be necessary or are useful in such cases for the protection, possession, control, management, and operation of the Mortgaged

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Property, during the whole of said period. To the extent permitted by law, said receiver may be authorized by the court 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 hereunder 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 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 mortgage indebtedness, satisfaction of any foreclosure decree or issuance of any certificate of sale or deed to any purchaser.

(e) Any real estate or any interest or estate therein sold pursuant to any court order or decree obtained pursuant to the Mortgage shall be sold in one parcel, as an entirety, or in such parcels and in such manner or order as Mortgagee, in its sole discretion, may elect, to the maximum extent permitted by the laws of the state in which the Mortgaged Property are situated. At any such sale, Mortgagee may bid for and acquire, as purchaser, 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 due the amount of Mortgagee's bid.

(f) The proceeds of any foreclosure sale of the Mortgaged Property shall be distributed and applied in the following order of priority: (i) on account of all costs and expenses incident to the foreclosure proceedings, (ii) all other items which, under the terms hereof, constitute secured indebtedness additional to that evidenced by the Note, with interest thereon, at the Default Interest Rate, (iii) all principal and interest remaining unpaid on the Note, and (iv) any overplus to Mortgagor, its successors, or assigns, as their rights may appear.

(g) With respect to any deposits made with or held by Mortgagee or any depository pursuant to any of the provisions of this Mortgage, in the event of a default in any of the provisions contained in this Mortgage or in the Note secured hereby, Mortgagee may, at its option, without being required to do so, apply any monies or securities which constitute such deposits on any of Mortgagor's obligations herein or in the Note contained, in such order and manner as Mortgagee may elect. When the indebtedness

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secured hereby has been fully paid, any remaining deposits shall be paid to Mortgagor or to the then owner or owners of the Mortgaged Property. Such deposits are hereby pledged as additional security for the prompt payment of the Note and any other indebtedness hereunder and shall be held to be irrevocably applied by the depository for the purposes for which made hereunder and shall not be subject to the direction or control of the Mortgagor.

(h) Mortgagor, for itself and on behalf of all persons beneficially interested therein, and each and every person acquiring any interest in or title to the Mortgaged Property subsequent to the date hereof, agrees not to apply for or avail itself of any appraisement, valuation, reinstatement, redemption, stay, extension, or exemption laws, or any so-called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, and hereby waives the benefits of such laws, including, but not limited to, those specified in subsections 15-1602 and 15-1603 of the Illinois Mortgage Foreclosure Law, and further waives any and all right to have the property and estates comprising the Mortgaged Property marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold as an entirety.

Mortgagor acknowledges and agrees that the land covered by this Mortgage at the time of execution hereof is neither "Agricultural Real Estate" nor "Residential Real Estate" (as those terms are defined in the Illinois Mortgage Foreclosure Law).

20. Estoppel Certificate. The Mortgagor agrees at any time and from time to time, upon not less than 15 days' prior notice by the Mortgagee, to execute, acknowledge and deliver, without charge, to the Mortgagee or to any person designated by the Mortgagee, a statement in writing certifying that this Mortgage is unmodified (or if there have been modifications, identifying the same by the date thereof and specifying the nature thereof), the principal amount then secured hereby and the unpaid balance of the Note, that the Mortgagor has not received any notice of default or notice of acceleration or foreclosure of this Mortgage (or if the Mortgagor has received such a notice, that it has been revoked, if such be the case), that to the knowledge of the Mortgagor no Event of Default exists hereunder (or if any such Event of Default does exist, specifying the same and stating that the same has been cured, if such be the case), that the Mortgagor to its knowledge has no claims or offsets against the Mortgagee (or if the Mortgagor has any such claims, specifying the same), and the dates to which

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the interest and the other sums and charges payable by the Mortgagor pursuant to the Note have been paid.

21. Forbearance Not a Waiver; Rights and Remedies Cumulative. No delay by the Mortgagee in exercising any right or remedy provided herein or otherwise afforded by law or equity shall be deemed a waiver of or preclude the exercise of such right or remedy, and no waiver by the Mortgagee of any particular provision of this Mortgage shall be deemed effective unless in writing signed by the Mortgagee. All such rights and remedies provided for herein or which the Mortgagee or the holder of the Note may have otherwise, at law or in equity, shall be distinct, separate and cumulative and may be exercised concurrently, independently or successively in any order whatsoever, and as often as the occasion therefor arises. The Mortgagee's taking action pursuant to paragraph 13 or receiving proceeds, awards or damages pursuant to paragraphs 10 or 14 shall not impair any right or remedy available to the Mortgagee under paragraph 15 hereof. Acceleration of maturity of the Note, once claimed hereunder by the Mortgagee, may, at the option of the Mortgagee, be rescinded by written acknowledgment to that effect by the Mortgagee, but the tender and acceptance of partial payments alone shall not in any way affect or rescind such acceleration of maturity of the Note.

22. Successors and Assigns Bound; Number; Gender; Agents; Captions; Amendments; Construction. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective heirs, legal representatives, successors and assigns of the Mortgagee and the Mortgagor; provided, however, that this paragraph 22 shall not limit the effect of paragraph 18(g). Wherever used the singular number shall include the plural, and the plural the singular, and the use of any gender shall apply to all genders. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof. No amendment of this Mortgage shall be effective unless in a writing executed by the Mortgagor and the Mortgagee. The Note, this Mortgage, and the Security Documents shall be construed without regard to any presumption or rule requiring construction against the party causing such instruments to be drafted.

23. Notice. Any notice from the Mortgagee to the Mortgagor under this Mortgage shall be deemed to have been given by the Mortgagee and received by the Mortgagor when mailed by certified mail by the Mortgagee to the Mortgagor at the following address:

NSM Partners  
P.O. Box 75068  
St. Paul, MN 55175-0068

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or at such other address as the Mortgagor may designate in writing to the Mortgagee.

24. Governing Law; Severability. This Mortgage shall be governed by the substantive laws of the State of Illinois. In the event that any provision or clause of this Mortgage conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage which can be given effect without the conflicting provisions and to this end the provisions of this Mortgage are declared to be severable.

25. Counterparts. This Mortgage may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

26. Production of Documents. The Mortgagor shall, while this Mortgage is in full force and effect, furnish the Mortgagee with such documents, instruments and papers as the Mortgagee may request from time to time in order for the Mortgagee to effectuate a sale or a participation in the loan evidenced by the Note and this Mortgage.

27. Waiver of Marshalling. The Mortgagor, any party who consents to this Mortgage and any party who now or hereafter acquires a lien on the Mortgaged Property and who has actual or constructive notice of this Mortgage hereby waive any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

28. Fixture Filing. From the date of its recording, this Mortgage shall be effective as a financing statement filed as a fixture filing with respect to all goods constituting part of the Mortgaged Property (as more particularly described in item (ii) of the granting clause of this Mortgage) which are or are to become fixtures related to the real estate described herein. For this purpose, the following information is set forth:

(a) Name and Address of Debtor:

NSM Partners  
P.O. Box 75068  
St. Paul, MN 55175-0068

(b) Name and Address of Secured Party:

Aid Association for Lutherans  
4321 North Ballard Road  
Appleton, Wisconsin 54919-0001

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- (c) This document covers goods which are or are to become fixtures.
- (d) The name of the record owner of the Land is the Debtor described above.

29. Further Assurances. At any time and from time to time until payment in full of the Indebtedness, the Mortgagor will, at the request of the Mortgagee, promptly execute and deliver to the Mortgagee such additional instruments as may be reasonably required further to evidence the lien of this Mortgage and further to protect the security interest of the Mortgagee with respect to the Mortgaged Property, including, without limitation, additional security agreements, financing statements and continuation statements. Any expenses incurred by the Mortgagee in connection with the preparation and recordation of any such instruments, including, but not limited to reasonable attorneys' fees, shall become additional Indebtedness of the Mortgagor secured by this Mortgage. Unless the Mortgagor and the mortgagee agree in writing to other terms of repayment, such amounts shall be immediately due and payable, and shall bear interest from the date of disbursement at the annual rate stated in the Note, unless collecting from the Mortgagor of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from the Mortgagor under applicable law.

30. Future Advances.

Mortgagee may, at its option upon request of Mortgagor, at any time before full payment of the indebtedness secured by this Mortgage, make further advances to Mortgagor, and the same, regardless of whether the amount thereof when added to the then principal balance due under the Note exceeds the face amount thereof, together with the interest thereon shall be on a parity with, and not subordinate to, the indebtedness evidenced by the Note and shall be secured hereby in accordance with all covenants and agreements herein contained. If Mortgagee shall make further advances as aforesaid, Mortgagor shall repay all such advances in accordance with the note or notes, or agreement or agreements, evidencing the same which Mortgagor shall have executed and delivered to Mortgagee, if any, and in the absence of any such agreement, the same shall be payable, together with interest thereon at the rate and at the intervals specified in the Note, in full on the Maturity Date. The maximum aggregate amount secured by this Mortgage including principal, interest, future advances, if any, and all other sums herein provided for (whether now owed or hereinafter owed) is \$2,425,500.00.

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31. Subrogation. Mortgagee shall be subrogated to all liens, although released of record, which are paid out of the proceeds of the Note or other indebtedness secured by this Mortgage.

32. Recourse. Mortgagee shall have full recourse to Mortgagor to enforce the obligations of Mortgagor under this Mortgage and the Note.

IN WITNESS WHEREOF, the Mortgagor has caused this Mortgage to be duly executed as of the day and year first-above written.

NSM PARTNERS

By Nanette L. Pikovsky  
Nanette L. Pikovsky  
A general partner

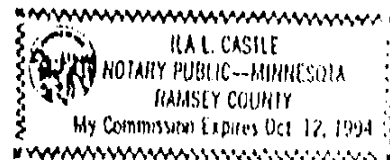
By Michael H. Pikovsky  
Michael H. Pikovsky  
A general partner

By Scott D. Pikovsky  
Scott D. Pikovsky  
A general partner

STATE OF Minnesota )  
  )  
COUNTY OF Ramsey )

The foregoing instrument was acknowledged before me this 29 day of April, 1990, by Nanette L. Pikovsky, a general partner of NSM Partners, a Minnesota general partnership, on behalf of said partnership.

Ila L. Castle  
Notary Public



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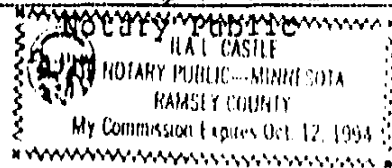
# UNOFFICIAL COPY

STATE OF Minnesota )  
COUNTY OF Ramsey )

The foregoing instrument was acknowledged before me this 27 day of April, 1990, by Michael H. Pikovsky, a general partner of NSM Partners, a Minnesota general partnership, on behalf of said partnership.

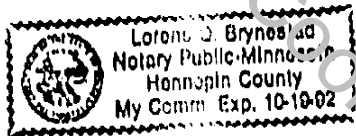
*Ila L. Castle*

STATE OF Minnesota  
COUNTY OF Hennepin



The foregoing instrument was acknowledged before me this 27 day of April, 1990, by Scott D. Pikovsky, a general partner of NSM Partners, a Minnesota general partnership, on behalf of said partnership.

*Scott D. Pikovsky*  
Notary Public



This instrument was drafted by:  
+ 313-767-7071  
Faegre & Benson (JHL)  
2200 Norwest Center  
90 South Seventh Street  
Minneapolis, MN 55402-3901

BOX 333

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EXHIBIT A  
TO  
COMBINATION MORTGAGE, SECURITY AGREEMENT  
AND FIXTURE FINANCING STATEMENT

Mortgagor: NSM Partners

Mortgagee: Aid Association for Lutherans

The Land described in the referenced instrument is located in Cook County, Illinois, and is described as follows:

PARCEL 1:

THAT PORTION OF LOTS 4 AND 5 IN ALEXANDER A. McDONNELL AND OTHERS SUBDIVISION OF THE SOUTH EAST FRACTIONAL 1/4 OF SECTION 11, TOWNSHIP 33 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF PARCEL S. W. 6-5 AND SOUTHEASTERLY OF A LINE THAT IS 150 FEET SOUTHEASTERLY OF, BY RIGHT ANGLE MEASURE, AND PARALLEL WITH THE CENTER LINE OF THE ORIGINAL MAIN TRACK, BEING THE CENTER LINE OF THE WEST BOUND TRACK OF THE ATCHISON, TOPEKA AND SANTA FE RAILROAD, IN COOK COUNTY, ILLINOIS

PARCEL 2:

THAT PORTION OF LOTS 1, 2, 3, 4, 5 AND 6 IN THE SUBDIVISION OF THE WESTERLY PART OF LOT 6 IN SAID ALEXANDER A. McDONNELL AND OTHERS SUBDIVISION LYING WESTERLY OF PARCEL S. W. 6-4 AND NORTHWESTERLY OF PARCEL S. W. 6-4- E, (EXCEPTING THEREFROM THE FOLLOWING: BEGINNING AT A POINT IN THE NORTH AND SOUTH 1/4 CORNER OF SAID SECTION 11, AT THE NORTH WEST CORNER OF SAID ORIGINAL LOT 6; THENCE EAST ALONG THE NORTH LINE OF SAID LOT, A DISTANCE OF 187.76 FEET, MORE OR LESS, TO A POINT WHICH IS 180.0 FEET SOUTHEASTERLY OF, BY RIGHT ANGLE MEASURE, AND PARALLEL WITH THE AFORESAID CENTER LINE OF THE WEST BOUND MAIN TRACK; THENCE SOUTHWESTERLY, PARALLEL TO SAID CENTER LINE TRACK, A DISTANCE OF 339.43 FEET, MORE OR LESS TO A POINT IN SAID NORTH AND SOUTH 1/4 LINE; THENCE NORTH ALONG SAID LINE 281.67 FEET, MORE OR LESS, TO THE POINT OF BEGINNING) IN COOK COUNTY, ILLINOIS

PARCEL 3:

THE NORTH 27.241 FEET OF THE NORTH EAST FRACTIONAL 1/4 OF SECTION 14, TOWNSHIP 33 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING WESTERLY OF SAID PARCEL S. W. 6-4- E, IN COOK COUNTY, ILLINOIS

PARCEL 4:

A 25 FOOT STRIP OF LAND THAT IS SOUTHEASTERLY OF AND ADJOINING AND PARALLEL AND CONCENTRIC WITH THE FOLLOWING DESCRIBED LINE: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID LOT 3 IN SAID ALEXANDER A. McDONNELL SUBDIVISION, WHICH POINT IS 150.0 FEET SOUTHEASTERLY OF, BY RIGHT ANGLE MEASURE FROM THE CENTER LINE OF SAID CENTER LINE OF THE ORIGINAL MAIN TRACK OF THE ATCHISON, TOPEKA AND SANTA FE RAILROAD; THENCE NORTHEASTERLY ON A LINE PARALLEL TO SAID CENTER LINE, 1,087.39 FEET TO A POINT OF CURVE; THENCE NORTHEASTERLY ON A CURVED LINE CONVER TO THE NORTH HAVING A RADIUS OF 917.19 FEET, A DISTANCE OF 724.95 FEET TO AN INTERSECTION WITH THE CENTER LINE OF LANSDALE AVENUE, SAID INTERSECTION BEING 96.25 FEET SOUTH, BY RIGHT ANGLE MEASURE OF THE NORTH LINE OF SAID SOUTH EAST FRACTIONAL 1/4 AND 1,338.88 FEET EAST OF THE WEST LINE OF SAID 1/4 (EXCEPTING THEREFROM THAT PORTION LYING SOUTHWESTERLY OF THE NORTHEASTERLY LINE OF SAID PARCEL S. W. 6-5 AND THAT PART TAKEN FOR LANSDALE AVENUE).

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EXCEPTING FROM PARCELS 1, 2, 3 ABOVE THOSE PORTIONS THEREOF FALLING IN THE FOLLOWING DESCRIBED TRACT OF LAND:

A PORTION OF LOTS 4 AND 5 IN ALEXANDER A. McDONNELL AND OTHERS SUBDIVISION OF THE SOUTH EAST FRACTIONAL 1/4 OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND ALSO PART OF LOT 1 IN THE SUBDIVISION OF THE WESTERLY PART OF LOT 6 IN SAID

McDONNELL AND OTHERS SUBDIVISION DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTH WEST CORNER OF SAID LOT 3; THENCE SOUTH 89 DEGREES 47 MINUTES EAST ON THE SOUTH LINE THEREOF 151.79 FEET TO THE SOUTHEASTERLY LINE OF THE ATCHISON, TOPEKA AND SANTA FE RAILROAD, SAID SOUTHEASTERLY LINE BEING 150 FEET SOUTHEASTERLY (BY RIGHT ANGLES MEASURE) OF THE CENTER LINE OF THE ORIGINAL MAIN TRACK; THENCE NORTH 34 DEGREES 11 MINUTES 30 SECONDS EAST, ON SAID SOUTHEASTERLY LINE, 530.52 FEET TO THE SOUTHWESTERLY LINE OF PARCEL S. W. 6-5 OF THE SOUTH WEST EXPRESSWAY KNOWN AS F. A. I. NUMBER 55, AS MONUMENTED AND OCCUPIED FOR THE PLACE OF BEGINNING; THENCE SOUTHEASTERLY ON THE THREE FOLLOWING COURSES OF SAID SOUTHWESTERLY LINES; IN COOK COUNTY, ILLINOIS

"A" SOUTH 62 DEGREES 16 MINUTES EAST, 397.97 FEET TO A CONCRETE MONUMENT;

"B" SOUTH 56 DEGREES 36 MINUTES EAST, ON A CHORD LENGTH OF 261.30 FEET ON A CURVED LINE CONVEX TO THE NORTH EAST, HAVING A RADIUS OF 1,407.39 FEET AND AN ARC LENGTH OF 261.67 FEET TO A CONCRETE MONUMENT;

"C" SOUTH 41 DEGREES 22 MINUTES 10 SECONDS EAST, ON A CHORD LENGTH OF 229.16 FEET ON A CURVED LINE, CONVEX TO THE NORTH EAST HAVING A RADIUS OF 665.0 FEET, AND AN ARC LENGTH OF 230.31 FEET TO THE NORTHWESTERLY LINE OF PARCEL S. W. 6-5 EAST OF SAID EXPRESSWAY; THENCE SOUTH 30 DEGREES 28 MINUTES 56 SECONDS WEST ON SAID LINE, 374.56 FEET; THENCE NORTH 67 DEGREES 41 MINUTES 22 SECONDS WEST, 477.34 FEET ALONG AN EXISTING CYCLONE FENCE; THENCE NORTH 89 DEGREES 50 MINUTES WEST 164.90 FEET ALONG AN EXISTING CYCLONE FENCE; THENCE NORTH 13 DEGREES 27 MINUTES 40 SECONDS WEST, 134.06 FEET; THENCE NORTH 0 DEGREES 47 MINUTES EAST, 246.0 FEET; THENCE NORTH 7 DEGREES 28 MINUTES, EAST, 140.0 FEET TO THE SAID SOUTHEASTERLY LINE OF SAID RAILROAD; THENCE NORTH 54 DEGREES 11 MINUTES 30 SECONDS EAST, ON SAID LINE, 150.0 FEET TO THE PLACE OF BEGINNING; (EXCEPTING THEREFROM THE NORTHWESTERLY 25 FEET, AS MEASURED AT RIGHT ANGLES TO THE NORTHWESTERLY LINE OF SAID PREMISES), ALL IN COOK COUNTY, ILLINOIS

#### PARCEL 5:

EASEMENT FOR THE BENEFIT OF PARCELS 1, 2, 3 AND 4 AFORESAID, AS CREATED BY GRANT FROM THE DEPARTMENT OF PUBLIC WORKS AND BUILDINGS OF THE STATE OF ILLINOIS TO LA SALLE NATIONAL BANK, A NATIONAL BANKING ASSOCIATION, AS TRUSTEE UNDER TRUST AGREEMENT DATED OCTOBER 22, 1963, KNOWN AS TRUST NUMBER 31657, AS SET FORTH IN JUDGMENT ORDER ENTERED SEPTEMBER 15, 1966, AND STIPULATION AND AGREEMENT THERETO, IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS, IN CASE NUMBER 63C23145 OVER, ACROSS AND THROUGH THE FOLLOWING DESCRIBED LAND:

A 25 FOOT STRIP OF THE LAND, BEING A PART OF LOTS 3 AND 4 OF ALEXANDER A. McDONNELL AND OTHERS SUBDIVISION OF THE SOUTH EAST FRACTIONAL 1/4 OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH WEST CORNER OF SAID SOUTH EAST FRACTIONAL 1/4; THENCE SOUTH 0 DEGREES 36 MINUTES 30 SECONDS WEST ALONG THE WEST LINE OF SAID FRACTIONAL 1/4, 1,386.13 FEET TO THE SOUTH WEST CORNER OF LOT 5 IN SAID SUBDIVISION; THENCE SOUTH 89 DEGREES 47 MINUTES 30 SECONDS EAST ALONG THE SOUTH LINE OF SAID LOT, 1,131.47 FEET TO A POINT; THENCE NORTHWESTERLY, A DISTANCE OF 159.07 FEET ALONG THE ARC OF A CURVE;

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CONCAVE TO THE SOUTH WEST, HAVING A RADIUS OF 665 FEET AND WHOSE CHORD LENGTH IS 158.79 FEET AND HAS A BEARING OF NORTH 44 DEGREES 26 MINUTES 20 SECONDS WEST TO A CONCRETE MONUMENT; THENCE NORTHWESTERLY, A DISTANCE OF 261.67 FEET ALONG THE ARC OF A CURVE, CONCAVE TO THE SOUTH WEST WITH A RADIUS OF 1,407.29 FEET, AND WHOSE CHORD LENGTH IS 261.30 FEET AND HAS A BEARING OF NORTH 56 DEGREES 36 MINUTES WEST TO A CONCRETE MONUMENT; THENCE NORTH 62 DEGREES 16 MINUTES WEST, A DISTANCE OF 397.97 FEET TO A POINT IN THE SOUTHEASTERLY RIGHT OF WAY OF THE ATCHISON, TOPEKA AND SANTA FE RAILROAD, (SAID LINE BEING 150 FEET SOUTHEASTERLY OF BY RIGHT ANGLES MEASURE AND PARALLEL TO THE CENTER LINE OF THE ORIGINAL MAIN TRACK), SAID POINT BEING THE POINT OF BEGINNING OF THIS PARCEL; THENCE NORTH 34 DEGREES 11 MINUTES 30 SECONDS EAST ALONG SAID RIGHT OF WAY LINE, A DISTANCE OF 174.70 FEET TO A POINT; THENCE SOUTH 63 DEGREES 01 MINUTES 30 SECONDS EAST, A DISTANCE OF 15.20 FEET; TO A POINT IN A LINE THAT IS 25 FEET SOUTHEASTERLY OF, BY RIGHT ANGLE MEASURE AND PARALLEL WITH THE AFORESAID RIGHT OF WAY LINE; THENCE SOUTH 34 DEGREES 11 MINUTES 30 SECONDS WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 175.030 FEET, TO A POINT IN THE AFORESAID LINE WHOSE LENGTH IS 397.97 FEET; THENCE NORTH 62 DEGREES 16 MINUTES WEST, ALONG SAID LINE 25.16 FEET TO THE POINT OF BEGINNING, AND RESTRICTED TO THE VERTICAL CLEARANCE UNDER THE PLANE UNDER THE LOW STEEL OF THE HIGHWAY STRUCTURE LOCATED ON THE AFOREDESCRIBED TRACT; SAID PLANE BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE VERTICAL PROJECTION OF THE NORTHWESTERLY SIDE OF THE AFOREDESCRIBED TRACT (GROUND ELEVATION 604.0 + U. S. G. S. DATUM) AND A LINE UNDER THE LOW STEEL OF SAID STRUCTURE AT ELEVATION 629.2 (U. S. G. S. DATUM); THENCE SOUTHEASTERLY TO THE INTERSECTION OF THE VERTICAL PROJECTION OF THE SOUTHEASTERLY LINE OF SAID TRACT (GROUND ELEVATION 606.2 + U. S. G. S. DATUM) AND A LINE UNDER THE LOW STEEL OF SAID STRUCTURE AT ELEVATION 630.1 (U. S. G. S. DATUM), EXCLUDING THEREFROM THE AIR RIGHTS LOCATED ABOVE A PLANE, SAID PLANE HAVING AN ELEVATION OF 8 FEET LESS THAN THE LOW STEEL OF THE AFOREDESCRIBED STRUCTURE, ALSO EXCLUDING ALL LANDS OCCUPIED BY HIGHWAY FACILITIES SAID FACILITIES TO INCLUDE BUT NOT RESTRICTED TO PIERES, ABUTMENTS, LIGHT POLES AND DRAINAGE STRUCTURES, ALL IN COOK COUNTY, ILLINOIS

NOTE: PARCEL S. W. 6-4, S. W. 6-4-E, S. W. 6-5, WERE REFERRED TO IN PARCELS 1 TO 5 HEREIN ARE THE SAME AS PARCELS S. W. 6-4, S. W. 6-4-E, S. W. 6-5, AS DESCRIBED IN AMENDED DESCRIPTION FILED ON SEPTEMBER 16, 1966 IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS IN CASE NUMBER 63023145, AND SAID DESCRIPTION IS INCORPORATED BY REFERENCE THEREIN.

#### PARCEL 6:

EASEMENT CREATED BY "GRANT OF FACILITIES EASEMENT AGREEMENT" RECORDED 3/27/90 AS DOCUMENT 90134595 MADE BY AND BETWEEN SMITHSON, INC., A VIRGINIA CORPORATION AND THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES, IN, OVER, ALONG, UNDER, THROUGH AND ACROSS THE FOLLOWING DESCRIBED LAND:

A STRIP OF LAND, 20 FEET WIDE, BEING A PART OF LOTS 4 AND 5 IN ALEXANDER A. McDONNELL AND OTHERS SUBDIVISION OF THE SOUTH EAST FRACTIONAL QUARTER OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND ALSO A PART OF LOT 1 IN THE SUBDIVISION OF THE WESTERLY PART OF LOT 6 IN SAID ALEXANDER A. McDONNELL AND OTHERS SUBDIVISION, WHICH STRIP OF LAND IS BOUNDED AND DESCRIBED AS FOLLOWS:

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COMMENCING AT THE SOUTH WEST CORNER OF SAID LOT 5, AND RUNNING THENCE SOUTH 89 DEGREES 47 MINUTES EAST ALONG THE SOUTH LINE THEREOF, 151.79 FEET TO THE SOUTHEASTERLY LINE OF THE ATCHISON, TOPEKA AND SANTA FE RAILROAD, SAID SOUTHEASTERLY LINE BEING 150 FEET SOUTHEASTERLY (BY RIGHT ANGLE MEASURE) OF THE CENTERLINE OF THE ORIGINAL MAIN TRACK; THENCE NORTH 34 DEGREES 11 MINUTES 30 SECONDS EAST ALONG SAID SOUTHEASTERLY LINE 530.52 FEET TO THE SOUTHWESTERLY LINE OF PARCEL S. W. 3-5 OF THE SOUTH WEST EXPRESSWAY F. A. I. NO. 35 MONUMENTED AND OCCUPIED; THENCE SOUTH 62 DEGREES 16 MINUTES EAST, 25.16 FEET TO AN INTERSECTION WITH A LINE WHICH IS 25 FEET (BY RIGHT ANGLE MEASURE) SOUTHEASTERLY FROM AND PARALLEL WITH THE AFORESAID SOUTHEASTERLY LINE OF THE ATCHISON, TOPEKA AND SANTA FE RAILROAD; THENCE SOUTH 34 DEGREES 11 MINUTES 30 SECONDS WEST ALONG SAID PARALLEL LINE, 158.57 FEET TO THE POINT OF BEGINNING FOR SAID 20 FOOT STRIP OF LAND HEREINAFTER DESCRIBED:

THENCE SOUTH 00 DEGREES 47 MINUTES WEST, ALONG A STRAIGHT LINE, BEING THE EASTERLY LINE OF SAID STRIP OF LAND, 496.44 FEET TO AN EXISTING CYCLONE FENCE; THENCE NORTH 88 DEGREES 50 MINUTES WEST ALONG SAID EXISTING CYCLONE FENCE, 1.01 FEET; THENCE NORTH 13 DEGREES 27 MINUTES 40 SECONDS WEST, 77.16 FEET; THENCE NORTH 00 DEGREES 47 MINUTES EAST ALONG A STRAIGHT LINE, BEING THE WESTERLY LINE OF SAID STRIP OF LAND, 391.91 FEET TO AN INTERSECTION WITH THE AFORESAID LINE WHICH IS 25 FEET (BY RIGHT ANGLE MEASURE) SOUTHEASTERLY FROM THE SOUTHEASTERLY LINE OF THE ATCHISON, TOPEKA AND SANTA FE RAILROAD, THENCE NORTH 34 DEGREES 11 MINUTES 30 SECONDS EAST ALONG SAID PARALLEL LINE, 34.32 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

Common address: 5101 South Lawndale, Summit, Illinois

Permanent real estate tax index numbers:

18-11-400-015-0000  
18-11-400-016-0000  
18-11-402-006-0000  
18-11-402-007-0000  
18-14-200-006-0000

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EXHIBIT B  
TO  
COMBINATION MORTGAGE, SECURITY AGREEMENT  
AND FIXTURE FINANCING STATEMENT

Mortgagor: NSM Partners

Mortgagee: Aid Association for Lutherans

The Mortgaged Property is subject to the following encumbrances and no others:

1. Easement for ingress and egress, as disclosed by reservation thereof in deed from American Freight System, Inc. to Thomas R. Mancine and Charlotte Mancine recorded October 30, 1979 as Document 25217029 as created by deed from American Freight System, Inc. to Ben L. Mammina Developer, Inc. recorded October 30, 1979 as Document 25217032.
2. Maintenance agreement for roadway dated February 12, 1980 and recorded February 13, 1980 as Document 25360829, made by Downers Grove National Bank, a National Banking Association, as Trustee under Trust Agreement dated November 21, 1977 and known as Trust Number 77-304 and Ben L. Mammina Developers, Inc., a corporation of Illinois.
3. Easement in favor of the Metropolitan Sanitary District of Greater Chicago, as disclosed by deed from American Freight System, Inc. to Thomas R. Mancine and Charlotte Mancine, recorded October 30, 1979 as Document 25217029.

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