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## CONSTRUCTION MORTGAGE AND SECURITY AGREEMENT WITH ASSIGNMENT OF RENTS

This Construction Mortgage and Security Agreement with Assignment of Rents dated as of September 30, 1991 from American National Bank and Trust Company of Chicago, not personally, but as Trustee under the provisions of a deed or deeds in trust duly recorded and delivered to said Trustee in pursuance of a Trust Agreement dated November 13, 1989, and known as Trust Number 109406-09 (hereinafter referred to as "Mortgagor") located at 33 N. LaSalle Street, Chicago, Illinois to Bank of Montreal, Chicago Branch with its principal place of business at 115 South LaSalle Street, Chicago, Illinois 60603 (hereinafter referred to as "Mortgagee"):

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DELT-01 RECORDING \$31.00  
143333 TRAM 1147 10/03/91 16:14:00  
16623 + 0 \* - 21 - 517022  
COOK COUNTY RECORDER

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WITNESSETH THAT:

WHEREAS, Mortgagor has executed and delivered a promissory note bearing even date herewith in the principal amount of \$13,900,000, made payable to the order of Mortgagee in and by which Mortgagor promises to pay said principal sum (or so much thereof as may have been advanced thereon pursuant to the Construction Loan Agreement hereinafter defined) out of the trust estate hereinafter described, together with interest on the balance of principal from time to time outstanding and unpaid thereon at the rates and at the times specified in the Construction Loan Agreement hereinafter identified, with a final maturity of all principal and interest to be paid on October 1, 1993, subject to two six (6) month extensions, as provided for in the Construction Loan Agreement described below (said promissory note and any and all extensions and renewals thereof and any notes issued in replacement or substitution therefor being herein collectively referred to as the "Note");

72-74-781 D2

WHEREAS, the Note has been issued under and subject to the provisions of a Construction Loan Agreement bearing even date herewith between Mortgagor, Mortgagee and Westport Associates Limited Partnership, an Illinois limited partnership (the "Beneficiary"), and the Note evidences the \$13,900,000 loan made pursuant to the Construction Loan Agreement (such Construction Loan Agreement being hereinafter referred to as the "Construction Loan Agreement");

This Instrument Prepared By And After  
Recording Should Be Returned To:

Susan L. North  
Chapman and Cutler  
111 West Monroe Street  
Chicago, Illinois 60603

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Box 333

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NOW, THEREFORE, to secure (i) the payment when and as due and payable of the principal of and interest on the Note or so much thereof as may be advanced from time to time under and pursuant to the Construction Loan Agreement, (ii) the payment when and as due and payable of all amounts due or to become due to Mortgagee pursuant to any interest rate hedging program now or hereafter entered into between Mortgagor and Mortgagee with respect to the indebtedness represented by the Note, (iii) the payment of all other indebtedness which this Mortgage by its terms secures, and (iv) the performance and observance of the covenants and agreements contained in this Mortgage, the Construction Loan Agreement, the Note and any other instrument or document securing the Note (all of such indebtedness, obligations, agreements and liabilities identified in (i), (ii), (iii) and (iv) above being hereinafter referred to as the "indebtedness hereby secured"), Mortgagor does hereby grant, sell, convey, mortgage and assign unto Mortgagee, its successors and assigns and does hereby grant to Mortgagee, its successors and assigns a security interest in all and singular the properties, rights, interests and privileges described in Granting Clauses I, II, III, IV, V and VI below all of same being collectively referred to herein as the "Mortgage Premises":

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GRANTING CLAUSE I

That certain real estate lying and being in the County of Cook and State of Illinois, more particularly described in Schedule I attached hereto and made a part hereof together with any and all additional real estate described in Schedule II attached hereto and made a part hereof which is acquired by the Mortgagor.

GRANTING CLAUSE II

All buildings and improvements of every kind and description heretofore or hereafter erected or placed on the property described in Granting Clause I and all materials intended for construction, reconstruction, alteration and repairs of the buildings and improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the premises immediately upon the delivery thereof to the said real estate, and all fixtures, machinery, apparatus, equipment, fittings and articles of personal property of every kind and nature whatsoever now or hereafter attached to or contained in or used or useful in connection with said real estate and the buildings and improvements now or hereafter located thereon and the operation, maintenance and protection thereof, including but not limited to all machinery, motors, fittings, radiators, awnings, shades, screens, all gas, coal, steam, electric, oil and other heating, cooking, power and lighting apparatus and fixtures, all fire prevention and extinguishing equipment and apparatus, all cooling and ventilating apparatus and systems, all

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plumbing, incinerating, sprinkler equipment and fixtures, all elevators and escalators, all communication and electronic monitoring equipment, all window and structural cleaning rigs and all other machinery and other equipment of every nature and fixtures and appurtenances thereto and all items of furniture, appliances, draperies, carpets, other furnishings, equipment and personal property used or useful in the operation, maintenance and protection of the said real estate and the buildings and improvements now or hereafter located thereon and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are or shall be attached to said buildings or improvements in any manner; all of the foregoing only including property owned by the Beneficiary, in existence on the aforesaid property and not owned by the tenants; it being mutually agreed, intended and declared that all the aforesaid property shall so far as permitted by law, be deemed to form a part and parcel of the real estate and for the purpose of this mortgage to be real estate and covered by this Mortgage; and as to the balance of the property aforesaid, this Mortgage is hereby deemed to be as well a security agreement under the provisions of the Uniform Commercial Code of Illinois for the purpose of creating hereby a security interest in said property, which is hereby granted by Mortgagor as debtor to Mortgagee as secured party, securing the indebtedness hereby secured. The addresses of Mortgagor (debtor) and Mortgagee (secured party) appear at the beginning hereof.

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GRANTING CLAUSE III

All right, title and interest of Mortgagor now owned or hereafter acquired in and to all and singular the estates, tenements, hereditaments, privileges, easements, licenses, franchises, appurtenances and royalties, mineral, oil, and water rights belonging or in any wise appertaining to the property described in the preceding Granting Clause I and the buildings and improvements now or hereafter located thereon and the reversions, rents, issues, revenues and profits thereof, including all interest of Mortgagor in all rents, issues and profits of the aforementioned property and all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing (including all deposits of money as advanced rent or for security) under any and all leases or subleases and renewals thereof of, or under any contracts or options for the sale of all or any part of, said property (including during any period allowed by law for the redemption of said property after any foreclosure or other sale), together with the right, but not the obligation, to collect, receive and receipt for all such rents and other sums and apply them to the indebtedness hereby secured and to demand, sue for and recover the same when due or payable; provided that the assignments made hereby shall not impair or diminish the obligations of Mortgagor under the provisions of such leases or other agreements nor shall such obligations be

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imposed upon Mortgagee. By acceptance of this Mortgage, Mortgagee agrees, not as a limitation or condition hereof, but as a personal covenant available only to Mortgagor or the Beneficiary that until an event of default (as hereinafter defined) shall occur giving Mortgagee the right to foreclose this Mortgage, Mortgagor may collect, receive (but not more than 30 days in advance, except for approved security deposits) and enjoy such rents.

GRANTING CLAUSE IV

All judgments, awards of damages, settlements and other compensation hereafter made resulting from condemnation proceedings or the taking of the property described in Granting Clause I or any part thereof or any building or other improvement now or at any time hereafter located thereon or any easement or other appurtenance thereto under the power of eminent domain, or any similar power or right (including any award from the United States Government at any time after the allowance of the claim therefor, the ascertainment of the amount thereof and the issuance of the warrant for the payment thereof), whether permanent or temporary, or for any damage (whether caused by such taking or otherwise) to said property or any part thereof or the improvements thereon or any part thereof, or to any rights appurtenant thereto, including severance and consequential damage, and any award for change of grade of streets (collectively "Condemnation Awards").

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GRANTING CLAUSE V

All property and rights, if any, which are by the express provisions of this instrument required to be subjected to the lien hereof and any additional property and rights that may from time to time hereafter, by installation or writing of any kind, be subjected to the lien hereof by Mortgagor or anyone in Mortgagor's behalf.

GRANTING CLAUSE VI

All rights in and to common areas and access roads on adjacent properties heretofore or hereafter granted to Mortgagor and any after-acquired title or reversion in and to the beds of any ways, roads, streets, avenues and alleys adjoining the property described in Granting Clause I or any part thereof.

TO HAVE AND TO HOLD the Mortgaged Premises and the properties, rights and privileges hereby granted, bargained, sold, conveyed, mortgaged, pledged and assigned, and in which a security interest is granted, or intended so to be, unto Mortgagee, its successors and assigns, forever; provided,

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however, that this instrument is upon the express condition that if the principal of and interest on the Note shall be paid in full and all other indebtedness hereby secured shall be fully paid and performed and any commitment to advance funds contained in the Construction Loan Agreement shall have been terminated, then this instrument and the estate and rights hereby granted shall cease, determine and be void and this instrument shall be released by Mortgagee upon the written request and at the expense of Mortgagor, otherwise to remain in full force and effect.

It is expressly understood and agreed that the indebtedness hereby secured will in no event exceed two hundred percent (200%) of (i) the total face amount of the Note plus (ii) the total interest which may hereafter accrue under the Note on such face amount.

Mortgagor hereby covenants and agrees with Mortgagee as follows:

1. Payment of the Indebtedness. The indebtedness hereby secured will be promptly paid as and when the same becomes due.

2. Further Assurances. Mortgagor will execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectively the purpose of this instrument and, without limiting the foregoing, to make subject to the lien hereof any property agreed to be subjected hereto or covered by the Granting Clauses hereof or intended so to be.

3. Possession. So long as Mortgagor is not in default hereunder or, if a default has occurred hereunder, the grace period, if any, applicable to its cure has not expired, Mortgagor shall be suffered and permitted to remain in full possession, enjoyment and control of the Mortgaged Premises, subject always to the observance and performance of the terms of this instrument.

4. Mortgage Constitutes Construction Mortgage. This Mortgage secures an obligation for the construction of improvements on the real property herein described, constitutes a construction mortgage for the purpose of Article Nine of the Uniform Commercial Code of Illinois and is entitled to all of the benefits afforded construction mortgages thereunder.

5. Compliance with Construction Loan Agreement. Mortgagor will abide by and comply with and be governed and restricted by all of the terms, covenants, provisions, restrictions and agreements contained in the Construction Loan Agreement, and in each and every supplement thereto or amendment thereof which may at any time or from time to time be executed and delivered by the parties thereto or their successors and assigns.

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6. Provisions of Construction Loan Agreement. The proceeds of the Note are to be disbursed by Mortgagee in accordance with the terms contained in the Construction Loan Agreement, the provisions of which are incorporated herein by reference to the same extent as if fully set forth herein. Mortgagor covenants that any and all monetary disbursements made in accord with the Construction Loan Agreement shall constitute adequate consideration to Mortgagor for the enforceability of this Mortgage and the Note, and that all advances and indebtedness arising and accruing under the Construction Loan Agreement from time to time, whether or not the total amount thereof may exceed the face amount of the Note, shall be secured by this Mortgage. Upon default in any of the terms, provisions or covenants in the Construction Loan Agreement contained, which default is not cured within the time permitted by the Construction Loan Agreement, Mortgagee may (but need not): (i) declare the entire principal indebtedness and interest thereon due and payable and pursue all other remedies by this Mortgage conferred upon Mortgagee or conferred upon Mortgagee by law as in the case of default; or (ii) complete the construction of the improvements contemplated by the Construction Loan Agreement and enter into the necessary contracts therefor; or (iii) enter into leases for all or any part of the Mortgaged Premises, subject to the rights of tenants under leases approved or deemed approved by Mortgagee at the time of default. All monies so expended shall be so much additional indebtedness hereby secured, and any monies expended in excess of the Note, shall be payable on demand with interest at the Default Rate. Mortgagee may exercise any or all of the aforesaid remedies. The provisions, rights, powers and remedies contained in the Construction Loan Agreement are in addition to, and not in substitution for, those contained herein. All capitalized terms used herein which are not otherwise defined shall have the same meanings as set forth in the Construction Loan Agreement.

7. Payment of Taxes. Mortgagor shall pay before any penalty attaches, all general taxes and all special taxes (provided, however, that Mortgagor may pay in installments any special taxes which by the terms thereof allow for such payment in installments), special assessments, water, drainage and sewer charges and all other charges, of any kind whatsoever, ordinary or extraordinary, which may be levied, assessed, imposed or charged on or against the Mortgaged Premises or any part thereof and which, if unpaid, might by law become a lien or charge upon the Mortgaged Premises or any part thereof, and shall, upon written request, exhibit to Mortgagee official receipts evidencing such payments, except that, unless and until foreclosure, distraint, sale or other similar proceedings shall have been commenced, no such charge or claim need be paid if being contested (except to the extent any full or partial payment shall be required by law), after notice to Mortgagee, by

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appropriate proceedings which shall operate to prevent the collection thereof or the sale or forfeiture of the Mortgaged Premises or any part thereof to satisfy the same, conducted in good faith and with due diligence and if Mortgagor shall have furnished such security, if any, as may be required in the proceedings or reasonably requested by Mortgagee.

8. Payment of Taxes on Note, Mortgage or Interest of Mortgagee. Mortgagor agrees that if any tax, assessment or imposition upon this Mortgage or the indebtedness hereby secured or the Note or the interest of Mortgagee in the Mortgaged Premises or upon Mortgagee solely by reason of or as a holder of any of the foregoing (including, without limitation, corporate privilege, franchise and excise taxes, but excepting therefrom any income tax on interest payments on the principal portion of the indebtedness hereby secured imposed by the United States or any state or municipality) is levied, assessed or charged, then, unless all such taxes are paid by Mortgagor to, for or on behalf of Mortgagee as they become due and payable (which Mortgagor agrees to do upon demand of Mortgagee, to the extent permitted by law), or Mortgagee is reimbursed for any such sum advanced by Mortgagor, all sums hereby secured shall become immediately due and payable, at the option of Mortgagee upon 30 days' notice to Mortgagor, notwithstanding anything contained herein or in any law heretofore or hereafter enacted, including any provision thereof forbidding Mortgagor from making any such payment. Mortgagor agrees to exhibit to Mortgagee, upon request, official receipts showing payment of all taxes and charges which Mortgagor is required to pay hereunder.

9. Recordation and Payment of Taxes and Expenses Incident Thereto. Mortgagor will cause this Mortgage, all mortgages supplemental hereto and any financing statement or other notice of a security interest required by Mortgagee at all times to be kept, recorded and filed at its own expense in such manner and in such places as may be required by law for the recording and filing or for the rerecording and refiling of a mortgage, security interest, assignment or other lien or charge upon the Mortgaged Premises, or any part thereof, in order fully to preserve and protect the rights of Mortgagee hereunder and, without limiting the foregoing, Mortgagor will pay or reimburse Mortgagee for the payment of any and all taxes, fees or other charges incurred in connection with any such recordation or rerecording, including any documentary stamp tax or tax imposed upon the privilege of having this instrument or any instrument issued pursuant hereto recorded.

10. Insurance. Mortgagor will, at its expense, maintain insurance in accordance with the requirements of the Construction Loan Agreement. In the event of foreclosure, Mortgagor authorizes and empowers Mortgagee to effect insurance upon the Mortgaged Premises in the amounts aforesaid, for a period

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covering the time of redemption from foreclosure sale provided by law, and if necessary therefor, to cancel any or all existing insurance policies. In the event of a casualty, the proceeds of such insurance shall be applied in accordance with the provisions of the Construction Loan Agreement.

11. Eminent Domain. Mortgagor acknowledges that Condemnation Awards have been assigned to Mortgagee, which awards Mortgagee is hereby irrevocably authorized to collect and receive, and to give appropriate receipts and acquittances therefor, and, unless and to the extent that Mortgagor is permitted to use the proceeds of such Condemnation Award to restore the Mortgaged Premises pursuant to the requirements of the Construction Loan Agreement, to apply the same toward the payment of the amount owing on account of the indebtedness hereby secured in such order as Mortgagee may elect and whether or not the same may then be due and payable or otherwise adequately secured, and Mortgagor covenants and agrees that Mortgagor will give Mortgagee immediate notice of the actual or threatened commencement of any proceedings under condemnation or eminent domain affecting all or any part of the Mortgaged Premises including any easement therein or appurtenance thereof or severance and consequential damage and change in grade of streets, and will deliver to Mortgagee copies of any and all papers served in connection with any such proceedings. Mortgagor further covenants and agrees to make, execute and deliver to Mortgagee, at any time or times upon request, free, clear and discharged of any encumbrances of any kind whatsoever, any and all further assignments and/or instruments deemed necessary by Mortgagee for the purpose of validly and sufficiently assigning all awards and other compensation heretofore and hereafter to be made to Mortgagor for any taking, either permanent or temporary, under any such proceeding.

12. Construction, Repair, Waste, Etc. Mortgagor agrees that no building or other improvement on the Mortgaged Premises and constituting a part thereof shall be materially altered, removed or demolished nor shall any fixtures or appliances on, in or about said buildings or improvements be severed, removed, sold or mortgaged, without the prior consent of Mortgagee and in the event of the demolition or destruction in whole or in part of any of the fixtures, chattels or articles of personal property covered hereby, Mortgagor covenants that the same will be replaced promptly by similar fixtures, chattels and articles of personal property at least equal in quality and condition to those replaced, free from any security interest in or encumbrance thereon or reservation of title thereto; to permit, commit or suffer no waste, impairment or deterioration of the Mortgaged Premises or any part thereof; to keep and maintain said Mortgaged Premises and every part thereof in good and first class repair and condition (ordinary wear and tear excepted); to effect such repairs as Mortgagee may reasonably require and from time to time

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to make all needful and proper replacements and additions so that said buildings, fixtures, machinery and appurtenances will, at all times, be in good and first class condition, fit and proper for the respective purposes for which they were originally erected or installed; to comply with all statutes, orders, requirements or decrees relating to said Mortgaged Premises by any federal, state or municipal authority (provided, however, that Mortgagor may contest the enforcement of any such statute, order, requirement or decree in an appropriate forum so long as such contest shall not affect the priority of the lien on the Mortgaged Premises granted to Mortgagee hereunder or otherwise affect the value of the Mortgaged Premises); to observe and comply with all conditions and requirements necessary to preserve and extend any and all rights, licenses, permits (including, but not limited to, zoning variances, special exceptions and non-conforming uses), privileges, franchises and concessions which are applicable to the Mortgaged Premises or which have been granted to or contracted for by Mortgagor in connection with any existing or presently contemplated use of the Mortgaged Premises or any part thereof and not to initiate or acquiesce in any changes to or terminations of any of the foregoing or of zoning classifications affecting the use to which the Mortgaged Premises or any part thereof may be put without the prior written consent of Mortgagee; and to make no material structural alterations in or improvements or additions to the Mortgaged Premises except as contemplated by the Construction Loan Agreement or required by governmental authority. For purposes of this Section 12, the word "materially" shall mean in excess of \$50,000 or such lesser amount as may be deemed to be material under the Construction Loan Agreement.

13. Liens and Encumbrances. Mortgagor will not, without the prior written consent of Mortgagee, directly or indirectly, create or suffer to be created or to remain and will discharge or promptly cause to be discharged any mortgage, lien, encumbrance or charge on, pledge or conditional sale or other title retention agreement with respect to the Mortgaged Premises or any part thereof, whether superior or subordinate to the lien hereof, except for this instrument and mechanics' liens arising during the course of construction over which Mortgagor has obtained title insurance coverage as required by the Construction Loan Agreement; provided, however, that Mortgagor may contest the validity of any such lien, charge or encumbrance (other than the lien of this Mortgage or of any other document securing payment of the Note) upon giving Mortgagee timely notice of its intention to contest the same and either (i) making and thereafter maintaining with Mortgagee a deposit of cash in an amount sufficient in the opinion of Mortgagee to pay and discharge or to assure compliance with the matter under contest in the event of a final determination thereof adversely to Mortgagor or (ii) furnishing to the title insurance company approved by Mortgagee such security or indemnity as it may require to induce said title

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insurance company to issue its title insurance commitments or its mortgage title insurance policies insuring against all such claims or liens. Mortgagor agrees to prosecute any contests diligently and by appropriate legal proceedings which will prevent the enforcement of the matter under contest and will not impair the lien of this Mortgage or interfere with the normal conduct of business on the Mortgaged Premises. On final disposition of such contest, any cash or securities in Mortgagee's possession not required to pay or discharge or assure compliance with the matter contested shall be returned to Mortgagor.

14. Right of Mortgagee to Perform Mortgagor's Covenants, Etc. If Mortgagor shall fail to make any payment or perform any act required to be made or performed hereunder after the expiration of any applicable grace period set forth herein (provided, however, that no grace period shall be applicable for any failure of Mortgagor to comply with the insurance provisions herein, or any other requirement which, in the determination of Mortgagee, represents an emergency or, if delayed, would threaten the value or safety of the Mortgaged Premises), Mortgagee, without waiving or releasing any obligation or default, may (but shall be under no obligation to) at any time thereafter make such payment or perform such act for the account and at the expense of Mortgagor, and may enter upon the Mortgaged Premises or any part thereof for such purpose and take all such action thereon as, in the opinion of Mortgagee, may be necessary or appropriate therefor. All sums so paid by Mortgagee and all costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) so incurred, together with interest thereon from the date of payment or incurrence at the Default Rate, shall constitute so much additional indebtedness hereby secured and shall be paid by Mortgagor to Mortgagee on demand. Mortgagee in making any payment authorized under this Section relating to taxes or assessments may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax assessment, sale, forfeiture, tax lien or title or claim thereof. Mortgagee, in performing any act hereunder, shall be the sole judge of whether Mortgagor is required to perform same under the terms of this Mortgage.

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15. After-Acquired Property. Any and all property hereafter acquired which is of the kind or nature herein provided and related to the premises described in Granting Clause I hereof, or intended to be and become subject to the lien hereof, shall ipso facto, and without any further conveyance, assignment or act on the part of Mortgagor, become and be subject to the lien of this Mortgage as fully and completely as though specifically described herein; but nevertheless Mortgagor shall from time to time, if requested by Mortgagee, execute and deliver any and all such further assurances, conveyances and assignments as

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Mortgagee may reasonably require for the purpose of expressly and specifically subjecting to the lien of this Mortgage all such property.

16. Inspection by Mortgagee. Mortgagee and any participant in the indebtedness hereby secured shall have the right to inspect the Mortgaged Premises at all reasonable times upon reasonable notice to Mortgagor, and access thereto shall be permitted for that purpose, subject to the rights of tenants under Leases (as that term is defined in the Construction Loan Agreement).

17. Subrogation. Mortgagor acknowledges and agrees that Mortgagee shall be subrogated to any lien discharged out of the proceeds of the loan evidenced by the Note or out of any advance by Mortgagee hereunder or under the Construction Loan Agreement, irrespective of whether any such lien may have been released of record.

18. Events of Default. Any one or more of the following shall constitute an event of default hereunder:

(a) The occurrence of any event constituting an event of default under the Construction Loan Agreement; or

(b) The Mortgaged Premises or any part thereof shall be sold, transferred, or conveyed, whether voluntarily or involuntarily, by operation of law or otherwise, except for sales of obsolete, worn out or unusable fixtures or personal property which are replaced with similar fixtures or personal property at least equal in quality and condition to those sold free of any lien, charge or encumbrance, except for tenant leases which comply with all requirements and limitations contained in the Construction Loan Agreement or any document providing collateral security for the Note and except as otherwise provided in the Construction Loan Agreement; or

(c) The Mortgaged Premises is abandoned; or

(d) All or any portion of the beneficial interest in Mortgagor is directly or indirectly encumbered, sold, transferred, assigned or conveyed, whether voluntarily or involuntarily by operation of law or otherwise without Mortgagee's prior written consent; or

19. Remedies. When any event of default which is not cured within the applicable grace period, if any, has happened and is continuing (regardless of the pendency of any proceeding which has or might have the effect of preventing Mortgagor from

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complying with the terms of this instrument and of the adequacy of the security for the Note) and in addition to such other rights as may be available under applicable law or under the Construction Loan Agreement, but subject at all times to any mandatory legal requirements:

(a) Acceleration. Mortgagee may, by written notice to Mortgagor, declare the Note and all unpaid indebtedness of Mortgagor hereby secured, including interest then accrued thereon, to be forthwith due and payable, whereupon the same shall become and be forthwith due and payable, without other notice or demand of any kind.

(b) Uniform Commercial Code. Mortgagee shall, with respect to any part of the Mortgaged Premises constituting property of the type in respect of which realization on a lien or security interest granted therein is governed by the Uniform Commercial Code, have all the rights, options and remedies of a secured party under the Uniform Commercial Code of Illinois (the "Code"), including without limitation, the right to the possession of any such property, or any part thereof, and the right to enter without legal process any premises where any such property may be found. Any requirement of said Code for reasonable notification shall be met by mailing written notice to Mortgagor at its address above set forth at least ten days prior to the sale or other event for which such notice is required. The reasonable expenses of retaking, selling and otherwise disposing of said property, including reasonable attorneys' fees and legal expenses incurred in connection therewith, shall constitute so much additional indebtedness hereby secured and shall be payable upon demand with interest at the Default Rate.

(c) Foreclosure. Mortgagee may proceed to protect and enforce the rights of Mortgagee hereunder (i) by any action at law, suit in equity or other appropriate proceedings, whether for the specific performance of any agreement contained herein, or for an injunction against the violation of any of the terms hereof, or in aid of the exercise of any power granted hereby or by law, or (ii) by the foreclosure of this Mortgage.

(d) Appointment of Receiver. To the extent permitted by applicable law, Mortgagee shall, as a matter of right, without additional notice and without giving bond to Mortgagor or anyone claiming by, under or through it, and without regard to the solvency or insolvency of Mortgagor or the then value of the Mortgaged Premises, be entitled to have a receiver

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appointed for all or any part of the Mortgaged Premises and the rents, issues and profits thereof, with such power as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Any such receiver may, to the extent permitted under applicable law, without notice, enter upon and take possession of the Mortgaged Premises or any part thereof by force, summary proceedings, ejectment or otherwise, and may remove Mortgagor or other persons and any and all property therefrom, and may hold, operate and manage the same and receive all earnings, income, rents, issues and proceeds accruing with respect thereto or any part thereof, whether during the pendency of any foreclosure or until any right of redemption shall expire or otherwise.

(e) Taking Possession, Collecting Rents, Etc.

Mortgagee may enter and take possession of the Mortgaged Premises or any part thereof and manage, operate, insure, repair and improve the same and take any action which, in Mortgagee's judgment, is necessary or proper to conserve the value of the Mortgaged Premises. Mortgagee may also take possession of, and for these purposes use, any and all personal property contained in the Mortgaged Premises and used by Mortgagor in the operation, rental or leasing thereof or any part thereof. After default, Mortgagee shall be entitled to collect and receive all earnings, revenues, rents, issues and profits of the Mortgaged Premises or any part thereof (and for such purpose Mortgagor does hereby irrevocably constitute and appoint Mortgagee its true and lawful attorney-in-fact for it and in its name, place and stead to receive, collect and receipt for all of the foregoing, Mortgagor irrevocably acknowledging that any payment made to Mortgagee hereunder shall be a good receipt and acquittance against Mortgagor to the extent so made) and to apply same to the reduction of the indebtedness hereby secured or, at its option, to completion of the improvements contemplated by the Construction Loan Agreement. The right to enter and take possession of the Mortgaged Premises and use any personal property therein, to manage, operate, conserve and improve the same, and to collect the rents, issues and profits thereof, shall be in addition to all other rights or remedies of Mortgagee hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. The expenses (including any receiver's fees, counsel fees, costs and agent's compensation) incurred pursuant to the powers herein contained shall be secured hereby which expenses Mortgagor promises to pay upon demand together with interest at

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the rate applicable to the Note at the time such expenses are incurred. Mortgagee shall not be liable to account to Mortgagor for any action taken pursuant hereto other than to account for any rents actually received by, and expenditures made by, Mortgagee. Without taking possession of the Mortgaged Premises, Mortgagee may, after default, in the event the Mortgaged Premises become vacant or are abandoned, take such steps as it deems appropriate to protect and secure the Mortgaged Premises (including hiring watchmen therefor) and all costs incurred in so doing shall constitute so much additional indebtedness hereby secured payable upon demand with interest thereon at the Default Rate.

20. Waiver of Right to Redeem From Sale - Waiver of Appraisalment, Valuation, Etc. Mortgagor shall not and will not apply for or avail itself of any appraisalment, valuation, 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, 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 estates comprising the Mortgaged Premises marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Premises sold as an entirety. In the event of any sale made under or by virtue of this instrument, the whole of the Mortgaged Premises may be sold in one parcel as an entirety or in separate lots or parcels at the same or different times, all as Mortgagee may determine. Mortgagee shall have the right to become the purchaser at any sale made under or by virtue of this instrument and Mortgagee so purchasing at any such sale shall have the right to be credited upon the amount of the bid made therefor by Mortgagee with the amount payable to Mortgagee out of the net proceeds of such sale. In the event of any such sale, the Note and the other indebtedness hereby secured, if not previously due, shall be and become immediately due and payable without demand or notice of any kind. Mortgagor hereby waives any and all rights of redemption prior to or from sale under any order or decree of foreclosure pursuant to rights herein granted, on behalf of Mortgagor, and each and every person acquiring any interest in, or title to the Mortgaged Premises described herein subsequent to the date of this Mortgage, and on behalf of all other persons to the extent permitted by applicable law.

21. Costs and Expenses of Foreclosure. In any suit to foreclose the lien hereof there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographic charges, publication costs and costs (which may be estimated as

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the items to be expended after the entry of the decree) of procuring all such abstracts of title, title searches and examination, guarantee policies, Torrens certificates and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute any foreclosure action or to evidence to the bidder at any sale pursuant thereto the true condition of the title to or the value of the Mortgaged Premises, and all of which expenditures shall become so much additional indebtedness hereby secured which Mortgagor agrees to pay and all of such shall be immediately due and payable with interest thereon from the date of expenditure until paid at the Default Rate.

22. Application of Proceeds. The proceeds of any foreclosure sale of the Mortgaged Premises or of any sale of property pursuant to Section 19(b) hereof shall be distributed in the following order of priority: First, on account of all costs and expenses incident to the foreclosure or other proceedings including all such items as are mentioned in Sections 19(b) and 21 hereof; Second, to all other items which under the terms hereof constitute indebtedness hereby secured in addition to that evidenced by the Note with interest thereon as herein provided; Third, to all principal of and interest on the Note with any overplus to whomsoever shall be lawfully entitled to same.

23. Mortgagee's Remedies Cumulative - No Waiver. No remedy or right of Mortgagee shall be exclusive of but shall be cumulative and in addition to every other remedy or right now or hereafter existing at law or in equity or by statute or provided for in the Construction Loan Agreement. No delay in the exercise or omission to exercise any remedy or right accruing on any default shall impair any such remedy or right or be construed to be a waiver of any such default or acquiescence therein, nor shall it affect any subsequent default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by Mortgagee. Mortgagee may resort to the Mortgaged Premises or any portion thereof or any other security for the indebtedness hereby secured in such order or manner as it may elect.

24. Mortgagee Party to Suits. If Mortgagee shall be made a party to or shall intervene in any action or proceeding affecting the Mortgaged Premises or the title thereto or the interest of Mortgagee under this Mortgage or the validity, enforceability, lien, priority or value hereof (including probate and bankruptcy proceedings), or if after default by Mortgagor Mortgagee employs an attorney to collect any or all of the indebtedness hereby secured or to enforce any of the terms hereof or realize hereupon or to protect the lien hereof, or if after default by Mortgagor, Mortgagee shall incur any costs or expenses in preparation for the commencement of any foreclosure proceeding

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or for the defense of any threatened suit or proceeding which might affect the Mortgaged Premises or the security hereof, whether or not any such foreclosure or other suit or proceeding shall be actually commenced, then in any such case, Mortgagor agrees to pay to Mortgagee, immediately and without demand, all reasonable costs, charges, expenses and attorneys' fees incurred by Mortgagee in any such case, and the same shall constitute so much additional indebtedness hereby secured payable upon demand with interest at the Default Rate.

25. Modifications Not To Affect Lien. Mortgagee, without notice to anyone, and without regard to the consideration, if any, paid therefor, or the presence of other liens on the Mortgaged Premises, may in its discretion release any part of the Mortgaged Premises or any person liable for any of the indebtedness hereby secured, may extend the time of payment of any of the indebtedness hereby secured and may grant waivers or other indulgences with respect hereto and thereto, without in any way affecting or impairing the liability of any party liable upon any of the indebtedness hereby secured or the priority of the lien of this Mortgage upon all of the Mortgaged Premises not expressly released, and may agree with Mortgagor to modifications to the terms and conditions contained herein or otherwise applicable to any of the indebtedness hereby secured (including modifications in the rates of interest applicable thereto).

26. Notices. All communications provided for herein shall be in writing and shall be deemed to have been given when mailed by certified or registered mail, postage prepaid, addressed to the parties hereto at their addresses as shown at the beginning of this Agreement with copies to Greenberger, Krauss & Jacobs, 180 N. LaSalle Street, Chicago, Illinois 60601, Attention: Merle Teitelbaum Cowin, Esq., and Venterra Sales & Management Corp., 350 N. LaSalle Street, Chicago, Illinois 60610 in case of notice to Mortgagor; and Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603, Attention: James R. Theiss, Jr., in case of notice to Mortgagee, or to such other and different address as Mortgagor or Mortgagee may designate pursuant to a written notice sent in accordance with the provisions of this Section 26.

27. Addition of Option Parcel. Mortgagor may in the future acquire additional property described on Schedule II hereto. It is the intention of the parties that at such time as Mortgagor acquires an interest in such property, the lien of this Mortgage shall attach to such parcel automatically upon such acquisition, and no further act or conveyance shall be required of Mortgagor in order to effectuate the subjection of Mortgagor's interest in the property described on Schedule II to the lien hereof. However, at the request of Mortgagee, Mortgagor shall execute and record a satisfactory amendment to this Mortgage to further evidence the fact that the lien of this Mortgage has attached to the property described on Schedule II.

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28. Partial Invalidity. All rights, powers and remedies provided herein are intended to be limited to the extent necessary so that they will not render this Mortgage invalid, unenforceable or not entitled to be recorded, registered or filed under any applicable law. If any term of this Mortgage shall be held to be invalid or unenforceable, the validity and enforceability of the other terms of this Mortgage shall in no way be affected thereby.

29. Successors and Assigns. Subject to the limitations upon assignment set forth in Sections 13, 18(b) and 18(d) hereof, whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Mortgage contained by or on behalf of Mortgagor, or by or on behalf of Mortgagee, shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not.

30. Headings. The headings in this instrument are for convenience of reference only and shall not limit or otherwise affect the meaning of any provision hereof.

31. Changes, Etc. This instrument and the provisions hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought.

32. Exculpation. This Mortgage is executed by American National Bank and Trust Company of Chicago, not personally, but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said Trustee hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in said Note contained shall be construed as creating any liability on said Trustee personally to pay the 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 expressly waived by Mortgagee 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 holder or holders of said Note and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises hereby conveyed for the payment thereof, by the enforcement of the lien hereby created, in the manner herein and in said Note provided or by action to enforce the personal liability of any guarantors of the indebtedness hereby secured or by proceeding against any other collateral security therefor.

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IN WITNESS WHEREOF, American National Bank and Trust Company of Chicago, not personally, but as Trustee as aforesaid, has caused these presents to be signed by its Vice President, and its corporate seal to be hereunto affixed and attested by its Asst Secretary, as of the day and year first above written.

American National Bank and Trust Company of Chicago, as Trustee of Trust Number 109406-09 as Aforesaid and Not Personally

By [Signature]  
Its Vice President  
J.M. Whelan  
(Type or Print Name)

(SEAL)

ATTEST:

[Signature]  
Its Asst Secretary  
[Signature]  
(Type or Print Name)

91517022

STATE OF ILLINOIS } ss.  
COUNTY OF COOK

The foregoing instrument was acknowledged before me this OCT 03 1991 day of

by J. MICHAEL WHELAN and  
ARITA M. LUKUS VICE PRESIDENT and ASSISTANT SECRETARY

respectively, of American National Bank and Trust Company of Chicago, a national banking association, as Trustee, as aforesaid, on behalf of said banking association.

"OFFICIAL SEAL"  
SANDRA L. TLSTOVIC  
Notary Public, State of Illinois  
My Commission Expires 01/16/95

[Signature]  
Notary Public

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SCHEDULE I

LEGAL DESCRIPTION

THAT PART OF THE EAST 1204.31 FEET OF THE SOUTH 1/2 OF THE SOUTH EAST 1/4 OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTH EAST CORNER OF SAID SOUTH EAST 1/4 OF SECTION 35; THENCE SOUTH 90 DEGREES, 00 MINUTES, 00 SECONDS WEST ALONG THE SOUTH LINE OF SAID SOUTH EAST 1/4, 946.09 FEET; THENCE NORTH 00 DEGREES, 06 MINUTES, 27 SECONDS EAST ALONG A LINE PARALLEL WITH THE EAST LINE OF SAID SOUTH EAST 1/4, 715.00 FEET; THENCE NORTH 90

DEGREES, 00 MINUTES, 00 SECONDS EAST, 272.48 FEET; THENCE NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST, 48.00 FEET; THENCE NORTH 90 DEGREES, 00 MINUTES, 00 SECONDS EAST, 671.70 FEET TO THE EAST LINE OF SAID SOUTH EAST 1/4; THENCE SOUTH 00 DEGREES, 06 MINUTES, 27 SECONDS WEST, 760.00 FEET TO THE POINT OF BEGINNING, EXCEPTING THEREFROM THOSE PARTS TAKEN FOR HIGHWAY PURPOSE IN KEDZIE AVENUE AND 87TH STREET, ALL IN COOK COUNTY, ILLINOIS.

PIN: 19-35-421-037-0000

Address: North west corner, 87th Street & Kedzie Avenue,  
Chicago

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## SCHEDULE II

### Legal Description of Phase II Property

THE WEST 260.22 FEET OF THE EAST 1204.31 FEET OF THE NORTH  
665.00 FEET OF THE SOUTH 715.00 FEET OF THE SOUTH 1/2 OF THE  
SOUTHEAST 1/4 OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 13,  
EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY,  
ILLINOIS.

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