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Mortgage, Security Agreement and Financing Statement

THIS MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT ("Mortgage") is made as of October 15
19 91 by

Initials

_____ not personally but
as Trustee under Trust Agreement dated _____ 19____ and known as
Trust No. _____

Harry E. Kinzie, III and Sheryl L. Larson, Husband and Wife

_____ a _____ corporation

_____ a _____

_____ a _____

_____ a _____
general partnership or joint venture

Mortgagee whose mailing address is 513 Crain St., Evanston, IL 60202

Mortgagee of First Illinois Bank of Evanston, N.A. ("Mortgagee") whose mailing address is 800 Davis, Evanston, Illinois 60204

Mortgagee of _____ is justly indebted to the Mortgagee
for a sum without limitation of the principal sum of ****Two Hundred Thirty Thousand and 00/100**** *****
***** Dollars (\$**230,000.00**), as evidenced by a certain PROMISSORY NOTE of even date herewith. Note is
made payable to the order of and delivered to the Mortgagee, whereby the obligor promises to pay the Note with charges,
prepayment premiums (if any) and interest at the rate or rates as provided in the Note. The final payment of principal
and interest (if not sooner paid, renewed, modified, extended or renegotiated) shall be due on **April 13**
19 92. All such payments on account of the indebtedness secured hereby shall be applied first to interest, then to paid
principal balance of the Note, secondly to any other sums due thereunder, finally to all other advances and sums secured
hereby, and the remainder to principal.

Mortgagee in order to secure the payment of said principal sum of money and said interest and charges and
prepayment premiums, if any, in accordance with the terms, provisions, and limitations of this Mortgage and of the Note,
has taken, granted, and received, as evidenced by a guaranty of payment of performance provided by the Mortgagee, in order
to the Mortgagee and the performance of the covenants and agreements hereinafter recited by the Mortgagee, as security,
for the full and complete security for repayment of any and all other liabilities and obligations of Mortgagee or to render any loan or
advance due Mortgagee, whether direct or indirect, absolute or contingent, primary or secondary, joint or several, and
with consideration of the sum of ONE DOLLAR (\$1.00) in hand paid, the receipt whereof is hereby acknowledged, Mortgagee
hereby does by these presents MORTGAGE, GRANT, REMISE, RELEASE, ALIEN AND CONVEY unto the Mortgagee and
its successors and assigns, the following described real estate and all of its present and hereafter acquired estate right, title,
and interest therein, situated, lying and being in the County of Cook and State
of Illinois to wit:

**SEE LEGAL DESCRIPTION ATTACHED HERETO
AND MADE A PART HEREOF AS EXHIBIT "A"**

Commonly known as 513-517 Crain St., Evanston, IL 60202
which, with the property hereinafter described, is collectively referred to herein as the Premises

This Instrument Prepared By: John C. Schellinger

and Shall be Returned to: First Illinois Bank of Evanston, N.A.
Attn: John C. Schellinger
800 Davis Street
PO Box 712
Evanston, Illinois 60204-0712

Real Estate Tax I.D. No. 11-19-104-012/011

91551089

2050

R10-638

TOGETHER with all improvements, equipment, furnishings, fixtures and appliances now or hereafter thereto belonging and all rents, issues and profits thereon for so long and so long as the Premises and the Mortgagee may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily, all real estate deposits, other deposits and insurance premium rebates to which Mortgagee may be entitled or which Mortgagee may be holding, and all fixtures, equipment, furnishings and articles (other than inventories held for sale) which relate to the use, occupancy and enjoyment of the Premises, all of the land, estate and property, heretofore described, real, personal and mixed, whether attached or annexed or not except where otherwise hereinafter specified, and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared to be the maximum extent permitted by law to form part and parcel of the real estate and to be appropriated to the use of the real estate and/or to be subject to the mortgage herein. Mortgagee is deemed to be real estate and conveyed and mortgaged hereby.

TO HAVE AND TO HOLD the Premises unto the Mortgagee and to successors in title hereof for the purposes and uses herein set forth.

IT IS FURTHER UNDERSTOOD AND AGREED THAT

1. MAINTENANCE, REPAIR AND RESTORATION OF IMPROVEMENTS, PAYMENT OF PRIOR LIENS, ETC. Mortgagee shall (a) promptly repair, restore or rebuild any buildings and other improvements now or hereafter on the Premises which may become damaged or destroyed to substantially the same character as prior to such damage or destruction, without regard to the amount of a liability of any casualty insurance proceeds or eminent domain awards, (b) keep the Premises constantly in good condition and repair without waste, (c) keep the Premises free from mechanics' liens or other liens or claims for lien not expressly subordinated to the lien hereof (except as provided herein), (d) immediately pay when due any indebtedness which may be secured by a lien or charge on the Premises on a parity with or superior to the lien hereof (no such subsequent lien to be permitted hereunder) and upon request exhibit satisfactory evidence of the discharge of such lien to Mortgagee, (e) complete within a reasonable time any buildings or other improvement(s) now or at any time in process of erection upon the Premises, (f) comply with all federal, state and local requirements of law, regulations, ordinances, orders and judgments and all covenants, easements and restrictions of record with respect to the Premises and the use thereof, (g) make no alterations in the Premises without Mortgagee's prior written consent, (h) suffer or permit no change in the general nature of the occupancy of the Premises without Mortgagee's prior written consent, (i) observe and comply with all conditions and requirements of any necessary to preserve and extend all rights, easements, licenses, permits (including without limitation zoning variations and any non-conforming uses and structures), privileges, franchises and concessions applicable to the Premises or contracted for in connection with any present or future use of the Premises, and (j) pay each item of indebtedness secured by this Mortgage when due according to the terms hereof and of the Note. As used in this Paragraph and elsewhere in this Mortgage, the term "indebtedness" means and includes the unpaid principal sum evidenced by the Note, together with all interest, additional interest, late charges and prepayment premiums thereon, (if any) and all other sums at any time secured by this Mortgage.

Anything in (c) and (d) above to the contrary notwithstanding, Mortgagee may, in good faith and with reasonable diligence, contest the validity or amount of any lien not expressly subordinated to the lien hereof, and defer payment and discharge thereof during the pendency of such contest, provided: (i) that such contest shall have the effect of preventing the sale or forfeiture of the Premises or any part thereof, or any interest therein, to satisfy such lien, (ii) that, within ten (10) days after Mortgagee has been notified of the assertion of such lien, Mortgagee shall have notified Mortgagee in writing of Mortgagee's intention to contest such lien, and (iii) that Mortgagee shall have deposited with Mortgagee, a sum of money which shall be sufficient in the judgment of Mortgagee to pay in full such lien and all interest which might become due thereon, and shall keep on deposit an amount so sufficient at all times, increasing such amount to cover additional interest whenever in the judgment of Mortgagee, such increase is advisable. Such deposits are to be held without any allowance of interest. If Mortgagee shall fail to prosecute such contest with reasonable diligence or shall fail to pay the amount of the lien plus any interest, cost and expenses finally determined to be due upon the conclusion of such contest, to the extent such amount exceeds the amount which Mortgagee will pay as provided below or shall fail to maintain sufficient funds on deposit as hereinabove provided, Mortgagee may, at its option, apply the money so deposited in payment of or on account of such lien, or that part thereof then unpaid, together with all interest thereon. If the amount of money so deposited shall be insufficient for the payment in full of such lien, together with all interest thereon, Mortgagee shall forthwith, upon demand, deposit with Mortgagee a sum which, when added to the funds then on deposit, shall be sufficient to make such payment in full. Mortgagee shall, upon the final disposition of such contest, apply the money so deposited in full payment of such lien or that part thereof then unpaid (provided Mortgagee is not then in default hereunder) when so requested in writing by Mortgagee and when furnished by Mortgagee with sufficient funds to make such payment in full and with evidence satisfactory to Mortgagee of the amount of payment to be made.

2. PAYMENT OF TAXES. Mortgagee shall pay all general taxes before any penalty or interest attaches, and shall pay special taxes, special assessments, water charges, sewer service charges, and all other charges against the Premises of any nature whatsoever when due, and shall, upon written request, furnish to Mortgagee duplicate receipts therefor within thirty (30) days following the date of payment. Mortgagee shall pay in full "under protest" any tax or assessment which Mortgagee may desire to contest in the future provided by law.

3. TAX DEPOSITS. Unless waived from time to time by Mortgagee in writing, Mortgagee shall deposit with the Mortgagee, commencing on the date of disbursement of the proceeds of the loan secured hereby and on the first day of each month following the month in which said disbursement occurs (unless otherwise agreed to by Mortgagee), a sum equal to the amount of all real estate taxes and assessments (general and special) next due upon or for the Premises (the amount of such taxes next due to be based upon the Mortgagee's reasonable estimate as to the amount of taxes and assessments to be levied and assessed) reduced by the amount of any then on deposit with the Mortgagee, divided by the number of months to elapse before two months prior to the date when such taxes and assessments will first become due and payable. Such deposits are to be held without any allowance or payment of interest to Mortgagee and are to be used for the payment of taxes and assessments (general and special) on the Premises next due and payable when they become due. If the funds so deposited are insufficient to pay any such taxes or assessments (general or special) when the same become due and payable, the Mortgagee shall, within ten (10) days after receipt of demand therefor from the Mortgagee, deposit such additional funds as may be necessary to pay such taxes and assessments (general and special) in full. If the funds so deposited exceed the amount required to pay such taxes and assessments (general and special) for any year, the excess shall be applied to a subsequent deposit or deposits. Said deposits need not be kept separate and apart from any other funds of the Mortgagee.

Anything in this Paragraph 3 to the contrary notwithstanding, if the funds so deposited are insufficient to pay any such taxes or assessments (general or special) or any installment thereof, Mortgagee will not later than the thirtieth (30th) day of the last day of such month of the same may be paid with out penalty or interest, deposit with the Mortgagee the full amount of any such deficiency.

If any such taxes or assessments (general or special) shall be levied, charged, assessed or imposed upon or for the Premises, or any portion thereof, and if such taxes or assessments shall also be a levy, charge, assessment or imposition upon or for any other premises not encumbered by the lien of this Mortgage, then the computation of any amount to be deposited under this Paragraph 3 shall be based upon the entire amount of such taxes or assessments, and Mortgagee shall not have the right to apportion the amount of any such taxes or assessments for the purposes of such computation.

3a. INSURANCE DEPOSITS. For the purpose of providing funds with which to pay premiums when due on all policies of fire and other hazard insurance covering the Premises and the Collateral (defined below) and, unless waived from time to time by Mortgagee in writing, Mortgagee shall deposit with the Mortgagee, commencing on the date of disbursement of the proceeds of the loan secured hereby and on the first day of each month following the month in which said disbursement occurs (unless otherwise agreed to by Mortgagee), a sum equal to the Mortgagee's estimate of the premiums that will next become due and payable on such policies reduced by the amount, if any, then on deposit with the Mortgagee, divided by the number of months to elapse before two (2) months prior to the date when such premiums become due and payable. No interest shall be allowed or paid to Mortgagee on account of any deposit made hereunder and said deposit need not be kept separate and apart from any other funds of the Mortgagee.

4. MORTGAGEE'S INTEREST IN AND USE OF TAX AND INSURANCE DEPOSITS, SECURITY INTEREST. In the event of a default hereunder, the Mortgagee may, at its option but without being required so to do, apply any monies at the time of deposit pursuant to Paragraphs 3 and 3a hereof on any of Mortgagee's obligations contained herein or in the Note, in such order and manner as the Mortgagee may elect. When the indebtedness has been fully paid, any remaining deposits shall be paid to Mortgagee or to the then owner or owners of the Premises as the same appear on the records of the Mortgagee. A security interest, within the meaning of the Uniform Commercial Code of the State in which the Premises are located, is hereby granted to the Mortgagee in and to all monies at any time on deposit pursuant to Paragraphs 3 and 3a hereof and such monies and all of Mortgagee's right, title and interest therein are hereby assigned to Mortgagee, as additional security for the indebtedness hereunder and shall, in the absence of default hereunder, be applied by the Mortgagee for the purposes for which made hereunder and shall be subject to the direction or control of the Mortgagee, provided, however, that Mortgagee shall not be liable for any failure to apply to the payment of taxes or assessments or insurance premiums any amount so deposited unless Mortgagee, while not in default hereunder, shall have furnished Mortgagee with the bills therefor and requested Mortgagee in writing to make application of such funds to the payment of the particular taxes or assessments or insurance premiums for payment of which they were deposited, accompanied by the bills for such taxes or assessments or insurance premiums. Mortgagee shall not be liable for any act or omission taken in good faith, but only for its gross negligence or willful misconduct.

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EXHIBIT "A"

LOTS 6 AND 7 IN RESUBDIVISION OF LOTS 9, 10, 11 AND 12 IN BLOCK 1 IN O. HUSE'S ADDITION TO EVANSTON IN THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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5. INSURANCE Mortgagee shall take such actions as may be necessary to cause the Collateral (defined as Paragraph 2 of this Note) to be insured against fire and theft and against damage by fire or lightning. The risks to be insured against shall include the risks insured against by Mortgagee, including without limitation the generality of the foregoing: (a) rent loss or business interruption insurance, wherever available; (b) fire and theft insurance, wherever available; and (c) flood insurance whenever same is available and in the opinion of Mortgagee is not prohibited by necessary Mortgagee. Mortgagee shall also provide insurance coverages with such limits for personal injury and death and property damage as Mortgagee may determine. All policies of insurance to be furnished hereunder shall be in forms, companies and amounts satisfactory to Mortgagee with waiver of subrogation and no coverage for other improvements and a standard non-contributory mortgagee clause attached to the policies. Mortgagee shall require that the coverages provided thereby shall not be terminated or materially modified without thirty (30) days prior written notice to the Mortgagee. Mortgagee shall be entitled to a copy of the policies including annual and renewal policies to Mortgagee and, in the case of a policy with a term, the policy shall be renewed not less than thirty (30) days prior to their respective dates of expiration.

Mortgagee shall take out separate insurance covering in form or contributing in the event of loss with that required to be maintained hereunder unless Mortgagee is insured thereon under a standard non-contributory mortgagee clause acceptable to Mortgagee. Mortgagee shall be notified by Mortgagee whenever any such separate insurance is taken out and shall promptly deliver to Mortgagee the original policy or policies of such insurance. In the event of a foreclosure of the lien of this Mortgagee or of a transfer of title to the Premises either by deed or by deed of trust or by sale at the foreclosure sale, all insurance policies in force shall pass to Mortgagee. Transferee or purchaser of the Premises may be

When ninety (90) days following the end of each fiscal year of Mortgagee, Mortgagee agrees to provide to the Mortgagor (or its successors or representatives) without cost to the Mortgagor, such as are regularly and ordinarily made by insurance companies to determine the true and correct amount of the benefits and other improvements on the Premises.

6. ADJUSTMENT OF LOSSES WITH INSURER AND APPLICATION OF PROCEEDS OF INSURANCE. In the event of a claim payable by the insurer, Mortgagee is authorized: (a) to settle and adjust any claim under insurance policies which insure against such risks as set forth in Paragraph 5 hereof and to agree with the insurance company or companies on the amount to be paid in regard to such loss; in either case, Mortgagee shall not be bound and receipt for any such insurance monies. So long as (a) each lease applicable to the Premises is in full force and effect and each tenant thereunder is not in default and such loss or damage shall not result in the termination or cancellation of any of those leases or of any part thereof, under the right to terminate or cancel a lease; (b) no insurer denies liability as to any insured or claims any right of participation in any of the Mortgagee's funds; and (c) the Mortgagee is not in default, then such insurance proceeds, after deducting therefrom any expense incurred by Mortgagee in the event of a claim, shall be available to the Mortgagee for the repair, rebuilding or restoration of the buildings and other improvements on the Premises, and other work which the insurance proceeds may, at the option of the Mortgagee, be so applied in reduction of the indebtedness which is secured by this Mortgagee and used to reimburse Mortgagee for any lessee for the cost of the repair, rebuilding or restoration of the buildings and other improvements on the Premises. In any event, the buildings and other improvements which are so repaired, rebuilt or restored shall be of the same character as prior to such damage or destruction of the buildings and other improvements, and the cost of repair, rebuilding or restoration of such proceeds shall be disbursed upon the Disbursing Party, hereinafter defined, being furnished with a copy of a written estimate of the cost of completion thereof and with architects' certificates, waivers of lien, contractors' and subcontractors' certificates, receipts, invoices and other evidence of cost and payments so that the Disbursing Party can verify that the amount disbursed therefor is in compliance with the contract and that said work is free and clear of mechanics' liens and that payment is made promptly to the contractor. If the cost of repairing, rebuilding or restoring the buildings and other improvements may, reasonably expected, exceed the amount of the net proceeds of the insurance, the Mortgagee must approve plans and specifications of such work before such work shall be commenced. Any work which may remain to be done with said insurance proceeds, after payment of the cost of repair, rebuilding, restoration and the reasonable charges of the Disbursing Party, shall, at the option of the Mortgagee, be applied on account of the indebtedness or paid to any party entitled thereto as the same appear on the records of the Mortgagee. No interest shall be allowed on Mortgagee or any proceeds of insurance held by the Disbursing Party.

As used in this Paragraph 6, the term "Disbursing Party" means the Mortgagee and/or any insurance company selected by the Mortgagee.

7. STAMP TAX EFFECT OF CHANGES IN LAWS REGARDING TAXATION. If by the laws of the United States of America or any state or state of such state, there is a change in the law over the Mortgagee, any tax is due or becomes due in respect to the terms of this Mortgagee, the Mortgagee shall not be bound to pay such tax in the manner required by any such law. The Mortgagee further covenants to reimburse the Mortgagor for any amount which the Mortgagee may be required to pay by reason of the imposition of any tax on the issuance of the Note.

In the event of the enactment of any law of the state in which the Premises are located imposing upon the Mortgagee the payment of the whole or a part of taxes, assessments or charges on the lien of this Mortgagee or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages on the Premises, or the manner of collection of taxes, so as to affect this Mortgagee or the debt secured thereby or the holder thereof, then, and in any such event, the Mortgagor, upon demand by the Mortgagee, shall pay all taxes, assessments, charges or debts on such Mortgagee thereon provided, however, that if in the opinion of counsel for the Mortgagee, tax might be unlawful to require Mortgagee to make such payment, or if the making of such payment might result in the imposition of a lien, they and the maximum amount permitted by law, then and in any such event, the Mortgagee may elect, by notice in writing given to the Mortgagor, to declare all of the indebtedness to be and become due and payable sixty (60) days from the giving of such notice.

8. OBSERVANCE OF LEASE ASSIGNMENT. As additional security for the payment of the Note and for the faithful performance of the terms and conditions contained herein, Mortgagee and its beneficiary or beneficiaries do hereby assign to the Mortgagee all of their right, title and interest in all lands and to the present leases and all future leases of the Premises. All leases of the Premises are subject to the approval of the Mortgagee as to terms, content and tenants.

Mortgagee will not and Mortgagee's beneficiary or beneficiaries will not, without Mortgagee's prior written consent, (a) execute any lease, contract or agreement of any kind, or any lease of the Premises except an assignment or pledge subjecting the lease to the lien of this Mortgagee, or (b) make any payment of any installment or rent more than thirty (30) days before the due date thereof, or (c) make any use of the Premises except for the occupancy by the tenant thereunder.

Mortgagee shall not and the beneficiary of Mortgagee if any shall not enter into or permit to be entered into any assignment, contract, lease or agreement to lease of any kind, or license or concession pertaining to the Premises without the prior written approval of Mortgagee, and all such contracts, leases and agreements shall be subject to the approval that not amend or modify the same without further written approval of Mortgagee.

Mortgagee and its beneficiary or beneficiaries will (a) at all times promptly and faithfully abide by the terms and performance of all the covenants, conditions and agreements contained in the leases of the Premises, on the part of the landlord thereunder, to be kept and performed in full force and effect to the best advantage of the tenants, conditions and agreements of such leases on the part of the tenants to be kept and performed to the best advantage of Mortgagee; (b) the beneficiary or beneficiaries shall not modify, amend, cancel, terminate or accept in whole or in part any lease with or without the written approval of Mortgagee; (c) the beneficiary or beneficiaries shall not accept or proceed with any assignment or sublease of any lease with or without the written approval of the landlord or of any tenants thereunder, by transfer and assignment of the lease to a third party, or by sublease; (d) Mortgagee shall have the right to require the Mortgagee, any lease or leases of the Premises the nature or substance of which are not in full force and effect and which Mortgagee, its beneficiary or beneficiaries is required to effectuate said assignment or transfer of Mortgagee with the necessary written approval of Mortgagee; (e) the beneficiary or beneficiaries shall execute a written statement containing the names of all tenants and the terms of all leases of the Premises in force and effect on the date of the recording of this Note, and to execute within the 60 days of any demand therefor by Mortgagee a certificate with respect to the status thereof.

Nothing in this Mortgagee or in any other Documents relating to the Note secured hereby shall be construed to obligate Mortgagee or any party or co-obligator, in the event of the foreclosure of the mortgage of the land and under any of the leases assigned to Mortgagee, to pay any sum of money or damages thereon provided to be paid by the landlord, each and all of which covenants and payments Mortgagee agrees to perform and pay should such be demanded and paid.

At the option of the Mortgagee, this Mortgage shall become subject and subordinate, in whole or in part (but not with respect to priority of lien) to insurance policies or any award in eminent domain, to any one or more leases affecting any part of the Premises upon the terms of this Mortgage and recording or registration thereof, at any time hereafter, in the office wherein this Mortgage was registered or filed for record, of a unilateral declaration to that effect.

In the event of the enforcement by Mortgagee of any remedies provided to the lender by the Mortgagee, the tenant under each lease of the Premises shall, at the option of the Mortgagee, allow to any person such as a contractor, subcontractor or a lessor, such enforcement and shall recognize such successor in interest as landlord under such lease without change in the terms or other provisions thereof, provided, however, that said successor in interest shall not be bound by any payment of rent or additional rent for more than one month in advance of any amendment or modification to any lease made without the consent of Mortgagee or said successor in interest. Each tenant upon request by said successor in interest, shall execute and deliver an instrument or instruments confirming such attainment.

Mortgagee shall have the option to declare this Mortgage in default because of a material default of landlord in any lease of the Premises, whether or not such default is cured by Mortgagee pursuant to the right granted herein. It is covenanted and agreed that a default under any Assignment of Rents or Leases executed pursuant to this Paragraph 8, or otherwise, shall constitute a default hereunder, on account of which the whole of the Indebtedness secured hereby shall at once, at the option of the Mortgagee, become immediately due and payable, without notice to the Mortgagor.

9. MORTGAGOR AND LIEN NOT RELEASED. From time to time Mortgagee may, at Mortgagee's option, without giving notice to or obtaining the consent of Mortgagor, its beneficiary, or Mortgagor's successors or assigns or the consent of any principal or guarantor or tenant, without liability on Mortgagee's part and notwithstanding Mortgagor's breach of any covenant, agreement or condition, fail to release anyone primarily or secondarily liable on any of the Indebtedness, (b) accept a renewal note or note of the Note or release from the lien of this Mortgage any part of the Premises, (c) take or release other or additional security for the indebtedness, (d) consent to any partial or total release of the Premises or Declaration of Condominium as to the Premises (in whole or in part), (e) consent to the granting of any easement, option, or any extension or subordination agreement, (f) agree in writing with Mortgagor to modify the rate of interest or period or amortization of the Note or change the time of payment or the amount of the installments payable thereunder, and (g) waive or fail to exercise any right, power or remedy granted by law or hereunder in any other instrument given at any time to evidence or secure the payment of the Indebtedness.

Any actions taken by Mortgagee pursuant to the terms of this Paragraph 9 shall not impair or affect (a) the obligation of Mortgagor or Mortgagor's successors or assigns to pay any sums at any time secured by this Mortgage and to observe all of the covenants, agreements and conditions herein contained, (b) the guaranty of any individual or legal entity for payment of the Indebtedness, and (c) the lien or priority of the lien hereof against the Premises.

Mortgagor shall pay to Mortgagee a reasonable service charge and such other reasonable charges and attorneys' fees (including in-house staff) as may be incurred by Mortgagee for any action described in this Paragraph 9 taken at the request of Mortgagor or its beneficiary or beneficiaries.

10. MORTGAGEE'S PERFORMANCE OF DEFAULTED ACTS. In case of default hereunder, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner Mortgagee deems expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase or discharge, compromise or settle any tax, lien or assessment or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said Premises, or contest any tax or assessment or cure any default of any landlord in any lease of the Premises. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other monies advanced by Mortgagee in regard to protecting the Premises or the lien hereof, shall be so much additional Indebtedness secured hereby, and shall become immediately due and payable without notice and with interest thereon at the rate of interest set forth in the Note applicable to a period when a default exists thereunder. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor.

11. MORTGAGEE'S RELIANCE ON TAX BILLS, ETC. Mortgagee in making any payment hereby authorized, (a) relating to taxes and assessments, may do so according to any computer or billing service, bill, statement or estimate produced from the appropriate public office or title company 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, or (b) for the purchase, discharge, compromise or settlement of any other prior lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

12. ACCELERATION OF INDEBTEDNESS IN CASE OF DEFAULT. If (a) default be made in the due and punctual payment of principal or interest on the Note or any other payment due in accordance with the terms thereof, or (b) the Mortgagor or any beneficiary thereof or any guarantor of the Note shall file (i) a petition for liquidation, reorganization or adjustment of debt under Title 11 of the United States Code (11 U.S.C. §§ 101 et seq.) or any similar law state or federal, whether now or hereafter existing, or (ii) an answer admitting insolvency or inability to pay debts, or (iii) fail to obtain a vacation or stay of involuntary proceedings within ten (10) days, as hereinafter provided, or (c) any order for relief of the Mortgagor or any beneficiary thereof or any guarantor of the Note shall be entered in any case under Title 11 of the United States Code, or a trustee or a receiver shall be appointed for the Mortgagor or for any beneficiary thereof or for any guarantor of the Note, or for all or the major part of the property of Mortgagor or of any beneficiary thereof or of any guarantor of the Note in any voluntary or involuntary proceeding, or any court shall have taken jurisdiction of all or the major part of the property of the Mortgagor or of any beneficiary thereof or of any guarantor of the Note in any voluntary or involuntary proceeding for the reorganization, dissolution, liquidation, adjustment of debt or winding up of the Mortgagor or of any beneficiary thereof or of any guarantor of the Note and such trustee or receiver shall not be discharged or such jurisdiction not be relinquished or vacated or stayed on appeal or otherwise stayed within ten (10) days, or (d) the Mortgagor or any beneficiary thereof or any guarantor of the Note secured hereby shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or shall consent the appointment of a receiver or trustee or liquidator of all or any major part of its property, or (e) default shall be made in the due observance or performance of any other covenant, agreement or condition hereinbefore or hereinafter contained and required to be kept or performed or observed by the Mortgagor or its beneficiary, (f) default shall be made in the due observance or performance of any covenant, agreement or condition required to be kept or observed by Mortgagor or its beneficiary or beneficiaries in the Note or any guarantor thereof or in any other instrument given at any time to secure the payment of the Note, then and in any such event, the whole of the Indebtedness shall at once, at the option of the Mortgagee, become immediately due and payable without notice to Mortgagor. If while any insurance proceeds or condemnation awards are held by or for the Mortgagee to reimburse Mortgagor or any lessee for the cost of repair, rebuilding or restoration of building(s) or other improvements on the Premises, as set forth herein, the Mortgagee shall be or become entitled to accelerate the maturity of the Indebtedness, then and in such event, the Mortgagee shall be entitled to apply all such insurance proceeds and condemnation awards then held by or for it in reduction of the Indebtedness, and any excess held by it over the amount of the Indebtedness shall be paid to Mortgagor or any party entitled thereto, without interest, as the same appear on the records of the Mortgagee.

13. FORECLOSURE; EXPENSE OF LITIGATION. When the Indebtedness or any part thereof shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for such Indebtedness or part thereof. In any civil action to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness in the order or judgment for foreclosure and sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee including, without limitation, expenditures for attorneys' fees, including those of in-house counsel, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs which may be estimated as to items to be expended after entry of said order or judgment of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens' Certificates and similar data and assurances with respect to the title as Mortgagee may deem reasonably necessary either to prosecute such civil action or to evidence to bidders at any sale which may be had pursuant to such order or judgment the true condition of the title to, or the value of, the Premises. All expenditures and expenses of the nature in this Paragraph mentioned and such expenses and fees and expenses as may be incurred in the protection of the Premises and the maintenance of the lien of this Mortgage, including the fees of any attorneys employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Note or the Premises, including probate, appellate and bankruptcy proceedings, or in preparations for the commencement or defense of any action or proceeding or threatened action or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the rate set forth in the Note applicable to a period when a default exists thereunder, and shall be secured by this Mortgage.

At all times, the Mortgagor shall appear in and defend any suit, action or proceeding that might in any way in the sole judgment of Mortgagee affect the value of the Premises, the priority of this Mortgage or the rights and powers of Mortgagee hereunder or under any document given at any time to secure the Indebtedness. Mortgagor shall, at all times, indemnify, hold harmless and reimburse Mortgagee on demand for any and all loss, damage, expense or cost, including cost of evidence of title and attorneys' fees, arising out of or incurred in connection with any such suit, action or proceeding, and the sum of such expenditures shall be secured by this Mortgage, and shall bear interest after demand at the rate specified in the Note applicable to a period when an uncured default exists thereunder, and such interest shall be secured hereby, and shall be due and payable on demand.

14. APPLICATION OF PROCEEDS OF FORECLOSURE SALE. The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order or priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding Paragraph hereof; second, all other debts which may under the terms hereof constitute secured Indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note, and fourth, any excess to any party entitled thereto as their rights may appear.

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in a reasonable sense and that any sale, conveyance, assignment, transfer or encumbrance of the Premises, or any interest therein (whether voluntarily or by operation of law), without the Mortgagee's prior written consent shall be a cause of default hereunder for the purpose of and without limiting the generality of the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be a default and a material transfer of the title Premises, and therefore an event of default hereunder:

- (a) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, all or any part of the title to the Premises to a person not a beneficial interest or power of direction under the trust agreement with the Mortgagor, if applicable;
- (b) any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any share of stock of the Mortgagor, if a corporation of the corporation which is the beneficiary or one of the beneficiaries under the trust agreement with the Mortgagor or of any corporation, directly or indirectly controlling such beneficiary corporation;
- (c) any sale, conveyance, assignment, or other transfer of, or the grant of a security interest in, any general partnership interest of the Mortgagor or of any partnership, or any general partnership which is the Mortgagor or the beneficiary or one of the beneficiaries under the trust agreement with the Mortgagor;
- (d) any sale, conveyance, assignment, or other transfer of, or the grant of a security interest in, any share of stock of any corporation, directly or indirectly controlling any such Partnership.

Any consent by the Mortgagee, or any waiver of an event of default, under this Paragraph shall not constitute a consent to, or a waiver of, any right, remedy, or power of the Mortgagee upon a subsequent event of default under this Paragraph.

30. HAZARDOUS MATERIALS. Mortgagor and its beneficiary (for purposes of this paragraph, collectively, "Mortgagor") hereunder, do warrant, defend and covenant that Mortgagor did not use Hazardous Materials (as defined hereinafter) on, from, or affecting the Premises in any manner which violates the federal, state or local laws, ordinances, rules, regulations, or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials, and that to the best of Mortgagor's knowledge, no prior owner of the Premises, or any other substantial prior tenant or prior subcontractor have used Hazardous Materials on, from, or affecting the Premises in any manner which violates federal, state or local laws, ordinances, rules, regulations, or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials. Mortgagor shall keep or cause the Premises to be kept free of Hazardous Materials, without interfering the foregoing. Mortgagor shall not cause or permit the Premises to be used to generate, store, manufacture, refine, or process Hazardous Materials, except in compliance with all applicable federal, state and local laws or regulations, nor shall Mortgagor cause or permit, as a result of any intentional or unintentional act or omission on the part of Mortgagor or any tenant or subcontractor, a release of Hazardous Materials on to the Premises or onto any other property. Mortgagor shall comply with and ensure compliance by all tenants and subcontractors with all applicable federal, state and local laws, ordinances, rules, and regulations, whenever and by whomsoever triggered, and shall obtain and comply with, and ensure that all tenants and subcontractors obtain and comply with, any and all approvals, registrations or permits required hereunder. Mortgagor shall, at its expense, conduct and complete all investigations, studies, sampling, analysis, testing, and remedial, removal, and other actions necessary to clean up and remove all Hazardous Materials from the Premises, and shall, in accordance with all applicable federal, state, and local laws, ordinances, rules, regulations, and policies, initiate the notification of Mortgagor and its beneficiaries to all applicable federal, state and local governmental authorities, and to other third parties, and all other parties, and shall defend, indemnify and hold harmless Mortgagor's employees, agents, officers and directors, from and against any and all third parties' penalties, fines, settlements, damages, judgments and expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or relating to any actual or threatened release, or threatened release of any Hazardous Materials which are on, from, or affecting the Premises, or any building, personal property, persons, animals, or otherwise (in any personal injury including wrongful death or property damage claim, contract claim or lawsuit) arising out of or relating to such Hazardous Materials, (ii) any lawsuit brought or threatened, settlement reached, or government order or judgment resulting from a violation of laws, orders, regulations, requirements, or demands of governmental authorities, in all such cases, the determination of Mortgagor will not be based upon or in any way related to such Hazardous Materials incident, without limitation, state, federal, or local, and the cost of investigation and laboratory fees, court costs, and litigation expenses. In the event the Mortgagor is released, or Mortgagor is held liable, in a tortored cause, Mortgagor shall deliver the Premises to Mortgagee free of any and all Hazardous Materials, so that the condition of the Premises shall conform with all applicable federal, state and local laws, ordinances, rules or regulations affecting the Premises. For purposes of this paragraph "Hazardous Materials" includes, without limitation, flammable explosives, radioactive materials, hazardous wastes, hazardous materials, and any materials or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901 et seq.), and in the regulations adopted and promulgated, promulgated and amended, by any other federal, state or local environmental law, ordinance, rule, or regulation. Further, in the event that Mortgagor undertakes building renovation or demolition involving at least 260 linear feet of friable asbestos material on pipes or at least 160 square feet of friable asbestos materials are struck or removed from the Premises, the Mortgagor will notify the Environmental Protection Agency as early as possible before the renovation begins. Mortgagor shall secure all permits and approvals and file all notifications required under state and local laws, ordinances and regulations prior to undertaking asbestos abatement activities. The provisions of this paragraph, in 30 shall be in addition to any and all other obligations and liabilities Mortgagor may have to Mortgagee at common law, and shall survive the transactions contemplated herein.

Initials:

31. REVOLVING CREDIT. In the event that the box is checked to signify that this Mortgage secures a revolving credit note, this Mortgage shall secure not only the existing indebtedness, but also such future advances, whether such advances are obligatory or to be made at the option of the Mortgagee, or otherwise, as are made within twenty years from the date hereof, to the same extent as such future advances were made on the date of execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage, and although there may be no indebtedness outstanding at the time any advance is made. The total amount of indebtedness that is secured hereby may increase or decrease from time to time, but the total unpaid balance so secured at any one time shall not exceed a maximum principal amount of the Note, plus interest thereon, and any disbursements made for the payment of taxes, special assessments, or insurance on the Premises, with interest on such disbursements.

32. EXCULPATORY. In the event the Mortgagor executing this Mortgage is an Illinois land trust, this Mortgage is executed by the Mortgagor personally, but as Trustee aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee, and the Mortgagor hereby warrants that it possesses full power and authority to execute this instrument and it is expressly understood and agreed that nothing contained herein or in the Note shall be construed as creating any liability on the Mortgagor personally to pay the Note or any interest rate charge or premium that may accrue thereon, or any indebtedness secured by this Mortgage, or to perform any covenant, either express or implied herein, made at all such liability, if any, being expressly waived by Mortgagee and by every person now or hereafter claiming any right or security hereunder, so that so long as Mortgagor is personally concerned, the legal holder or holders of the Note and the owner or owners of any indebtedness secured hereby shall look solely to the Premises and Object(s) hereby mortgaged, conveyed and assigned and to any other security given at any time to secure the payment thereof.

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

UNOFFICIAL COPY

PARTNERSHIP/JOINT VENTURE:

(name of partnership or joint venture)
a _____ partnership,
(state) (limited/general)
a _____ joint venture
By _____
Its _____

LAND TRUST:

as Trustee under Agreement dated _____, 19____, and known as
Trust No. _____, and not personally.
By _____
Its _____

CORPORATION:

a _____ corporation
(state)
By _____
Its _____

ATTEST:

By: _____
Its: _____

ATTEST:

By: _____
Its: _____

INDIVIDUALS:

X Harry E. Kinzie, III
Harry E. Kinzie, III
X Sheryl L. Larson
Sheryl L. Larson

STATE OF ILLINOIS
COUNTY OF COOK } SS.

I, BRIAN K. DYLL, a Notary Public and for and residing in
the said County, in the State aforesaid, do hereby certify that NAOMI S. GORDON PAUL SHERYL L. GORDON
and HUSBAND + WIFE
personally known to me to be the same person(s) whose name(s) (is/are) subscribed to the foregoing instrument, appeared before me
this day in person, and acknowledged that (s)he (they) signed, sealed and delivered the said instrument as (his/her/their) free and voluntary
act, for the uses and purposes and in the capacity (if any) therein set forth.

GIVEN under my hand and notary seal this 15 day of OCTOBER, 1991

[Signature]

91551099

UNOFFICIAL COPY

15. APPOINTMENT OF RECEIVER OF MORTGAGE IN POSSESSION Upon or after the effective date of the commencement of an action to foreclose this Mortgage, the court in which such action was commenced may, upon request of the Mortgagee, appoint a receiver of the Premises, with authority to alter foreclosure sale, with or without notice and with or without regard to the solvency or insolvency of Mortgagor, at the time of application for such receiver and without regard to whether value of the Premises or whether the same shall be then occupied as a home or as a business, and the Mortgagee or any other person authorized by the court may be appointed as receiver of said Premises in possession. Such receiver of the Mortgagee in possession shall have authority to collect the rents, issues and profits of the Premises during the pendency of such foreclosure action and in the case of a judgment of foreclosure, the liability period of the mortgage, if any, whether there be redemption or not, as well as during any further term (if any) when Mortgagee or receiver thereof exercises such receiver of Mortgagee in possession would be entitled to collect such rents, issues and profits, and all other power which the receiver or any other person authorized in such cases for the protection, preservation, control, management and operation of the Premises during the whole of said period. The court from time to time may authorize the receiver or Mortgagee in possession to apply if need be income in his hands to payment of the mortgage debt, with or without interest, as provided hereby or by any order or judgment foreclosing the lien of this Mortgage, or any tax, state or assessment, or other lien which may be in or become a lien in favor of the lien hereof or the lien of such order or judgment, provided such application is made prior to the foreclosure sale, the debt, any interest thereon and deficiency.

16. RIGHTS CUMULATIVE. Each right, power and remedy conferred upon the Mortgagee by this Mortgage and by any other document hereunder, including the indefeasibility conferred by law and in equity is cumulative and in addition to every other right, power and remedy conferred by law and in equity, whether or not in existence at the time of the commencement of this Mortgage, and each and every right, power and remedy hereof shall be deemed to be in addition to, and not in substitution for, any other right, power or remedy which may be conferred by law and in equity, and in such order as may be deemed expedient by the Mortgagee, and the exercise of any one or more of the foregoing rights, powers or remedies shall not be a waiver of the right to exercise any or all of the other rights, powers or remedies, and no delay, acquiescence or forbearance by the Mortgagee in the exercise of any right, power or remedy, shall constitute an election of an alternative or other right, power or remedy, or be construed to be a waiver of any right, power or remedy.

17. MORTGAGEE'S RIGHT OF INSPECTION. Mortgagee, its representatives, agents or participants, and each of them shall have the right, power and authority to enter upon the Premises and thereon, and to be permitted for that purpose.

18. EMINENT DOMAIN AND/OR CONDEMNATION. Mortgagor hereby assigns, transfers and sets over into the Mortgagee the entire proceeds of any claim for damages, for any of the Premises taken or damaged under the power of eminent domain or by condemnation, so long as a warranty procedure is available, for force and effect and each tenant thereunder is not in default and such taking shall not result in the termination or cancellation of a contract entered into by any tenant thereunder the right to cancel its lease. If the Premises require repair, rebuilding or restoration and if the Mortgagee in default hereof shall award, after deducting therefrom any expenses incurred in the exercise thereof, shall be made available by the Mortgagee for the repair, rebuilding or restoration of the Premises, in accordance with plans and specifications to be submitted to and approved by the Mortgagee.

In all other cases, the Mortgagee shall elect to apply the proceeds of the award upon or in reduction of the indebtedness, whether due or not, to make these proceeds available for repair, rebuilding or rebuilding of the Premises in accordance with plans and specifications to be submitted to and approved by the Mortgagee, in any case where proceeds are made available for repair, rebuilding or restoration of the proceeds of the award for a benefit of the same owner and under the same conditions provided in Paragraph 6 hereof for the payment of insurance proceeds toward the cost of repair, rebuilding or restoration. Any surplus which may remain out of said award after payment of such cost of repair, rebuilding or restoration shall be the reasonable charge of the Distributing Party shall, at the option of Mortgagee, be applied on account of the indebtedness or paid to any party then claiming the same upon the records of the Mortgagee. No interest shall be allowed to Mortgagor on account of any proceeds actually awarded by the Mortgagee.

19. RELEASE UPON PAYMENT AND DISCHARGE OF MORTGAGOR'S OBLIGATIONS. Mortgagee shall release (in whole or partially) this Mortgage and the lien hereof, in whole or partially by proper instrument upon payment and discharge of all indebtedness (or applicable agreed proportion thereof) including any prepayment charges and late charges provided for herein or in the Note) and upon payment of a reasonable fee to Mortgagee for the preparation and recording of such proper instrument as shall be determined by Mortgagee in its absolute discretion.

20. GIVING OF NOTICE. Any notice which either party hereto may desire or be required to give to the other party shall be in writing and the mailing thereof by certified mail addressed to the Mortgagor or to the Mortgagee, as the case may be, at the respective addresses set forth on the first page hereof, shall constitute service of notice and any party hereto may by notice in writing designate as a place for service of notice, shall constitute service of notice hereof.

21. WAIVER OF DEFENSE. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be exact and available to the party interposing same in an action at law upon the Note.

22. WAIVER OF STATUTORY RIGHTS. Mortgagor shall not and will not (nor shall any beneficiary of Mortgagor) apply for or avail itself of any law, enactment, regulation, state, federal, or exemption laws or any so-called "Moratorium Laws" now existing or hereafter enacted, in order to prevent or hinder the enforcement or force by the lien of this Mortgage, but hereby waives the benefits of such laws. Mortgagor for use hereof, and which shall remain throughout under the Mortgagee, waives any and all right to have the property and estates comprising the Premises maintained, sold or any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Premises sold as an entirety. Mortgagor, the beneficiary, waives any and all rights of redemption from sale under any order or judgment of foreclosure of the lien of this Mortgage on behalf of the Mortgagee, the real estate and all persons beneficially interested therein and each of them, in every party, except judgment, and that the Mortgagee, its representative, agents and of the trust estate, acquiring any interest in title to the Premises subsequent to the date of this Mortgage.

23. FURNISHING OF FINANCIAL STATEMENTS TO MORTGAGEE. Mortgagor covenants and agrees that it will keep and maintain or cause to be kept by a duly authorized person, books and records of account in which full, true and correct entries shall be made of all operating expenses relative to the Premises, which books and records of account shall be subject to inspection at any time and on demand by the representative of the Mortgagee and its accountants and other duly authorized representatives. Such books of record and accounts shall be kept in a manner that is in accordance with generally accepted accounting principles consistently applied.

23.1 Mortgagee shall from time to time, within ninety (90) days following the end of every calendar year applicable to the operating expense of the Premises, a copy of a report of the operations of the Improvements of the Premises, including a statement of profit and loss, submitted by the Mortgagee or its duly authorized agent or a general partner if the beneficiary of Mortgagor is a partnership or the chief financial officer if the beneficiary of Mortgagor is a corporation, shall furnish to the Mortgagee, including a balance sheet and supporting schedules and a profit and loss statement of income and expenses. Each such annual report shall certify that the certifying party examined the records and statements, which the Mortgagee and its representatives and those statements are true, correct and complete.

23.2 If Mortgagor fails to furnish promptly any report required by Paragraph 23.1, the Mortgagee may, in addition to exercising any other right, remedy and power, make an audit of all books and records of Mortgagor and its beneficiaries which in any way pertain to the Premises, and shall prepare the statement of statements which Mortgagor failed to produce and deliver. Such audit shall be made and such statement or statements shall be prepared by an independent Certified Public Accountant to be selected by the Mortgagee. Mortgagor shall pay all expenses of the audit and other services, which expenses shall be set off and hereby as additional indebtedness and shall be immediately due and payable with interest thereon at the rate set forth in the Note, as applicable to a period when default exists thereunder.

24. FILING AND RECORDING CHARGES AND TAXES. Mortgagor will pay all filing, registration, recording and search fees of any and all laws which are expenses incurred by the execution and acknowledgment of this Mortgage and all other documents securing the Note and all federal, state, local and municipal taxes, other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery, filing, recording or registration of the Note or this Mortgage and all other documents securing the Note and all assignments hereof.

25. BUSINESS PURPOSE, USURY EXEMPTION. Mortgagor hereby represents and affirms that Mortgagor has been advised by counsel of law that the proceeds of this loan secured by this Mortgage will be used for the purposes specified in Paragraph 6404 of Chapter 17 of the 1991 Florida Revised Statutes and that the obligation secured hereby constitutes a business loan, which comes with the purchase and operation of said paragraph.

26. MISCELLANEOUS. Binding Nature. This Mortgage and all provisions hereof shall extend to and be binding upon the original Mortgagor named on Page 1 hereof and its successors, assigns, each subsequent owner or owners of the Premises and all persons claiming under or through Mortgagor and the whole Mortgage, when used herein, shall include all such persons and all persons primarily and secondarily liable for the payment of the indebtedness, jointly or severally, whether or not such persons shall have executed the Note or this Mortgage and shall also include any beneficiary of Mortgagor direct or indirect.

26.1 Release of Previous Holder. The word "Mortgagee" when used hereinafter shall include the successors and assigns of the original Mortgagee named on Page 1 hereof, and the holder or holders from time to time of the Note. However, whenever the Note is sold, each prior holder shall be automatically freed and released, on and after the date of such sale, of all liability with respect to the performance of each covenant and obligation of Mortgagee hereunder thereafter to be performed, provided that any monies in which the Mortgagee has an interest, which monies are then held by the seller of the Note, are turned over to the purchaser of the Note.

26.2 Severability and Applicable Law. In the event one or more of the provisions contained in this Mortgage or in the Note or in any other document given at any time to secure the payment of the Note shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Mortgagee, not affect any other provision of this Mortgage, the Note or other document and this Mortgage, the Note or other document shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein. The validity and interpretation of this Mortgage and the Note if secured are to be construed, interpreted, construed with and governed by the laws of the State in which the Premises are situated.

26.3 Governmental Compliance. Mortgagee shall not by act or omission permit any lands or improvements, nor subject to the lien of this Mortgage to include the Premises or any part thereof in fulfillment of any governmental requirement, and Mortgagee hereby assigns to Mortgagee any and all rights to give consent for all or any portion of the Premises to be so used. Similarly, lands or improvements comprising the Premises shall be included with any lands or improvements not subject to the lien of this Mortgage in fulfillment of any governmental requirement. Mortgagee shall not by act or omission impair the integrity of the Premises as a single zoning lot separate and apart from other premises. Any act or omission by Mortgagee which would result in a violation of any of the provisions of this paragraph shall be void.

26.4 Estoppel Certificate. Mortgagee within fifteen (15) days after making of a written request by the Mortgagee, agrees to furnish from time to time a signed statement setting forth the amount of the Indebtedness and whether or not any default, offset or defense therein is alleged to exist against the Indebtedness and, if so, specifying the nature thereof.

26.5 Non-Joiner of Tenant. After an event of default, Mortgagee shall have the right and option to commence a civil action to foreclose the lien of this Mortgage and to obtain an order of judgment of foreclosure and sale of the Premises and of any tenant or tenants of the Premises. The failure to join any tenant or tenants of the Premises as party defendant or defendants in any such civil action or the failure of any such order or judgment to foreclose their rights shall not be asserted by the Mortgagee as a defense in any civil action instituted to collect the Indebtedness secured hereby or any part thereof or any deficiency remaining unpaid after foreclosure and sale of the Premises, any statute or rule of law at any time existing to the contrary notwithstanding.

26.6 Evasion of Prepayment Premium. If maturity of the Indebtedness is accelerated by the Mortgagee because of an event of default, as herein provided, and a tender of payment is made by or on behalf of the Mortgagee in an amount necessary to satisfy the Indebtedness at any time prior to judicial confirmation of foreclosure sale, such tender shall constitute an evasion of the prepayment premium provided for in the Note, if any, and shall be treated as a prepayment hereunder. Any such tender must therefore include the prepayment premium, if any required under the Note, or if at that time there is no prepayment privilege provided for in the Note, then such payment will include a prepayment premium of two per cent (2%) of the then unpaid principal balance of the Note.

27. SECURITY AGREEMENT AND FINANCING STATEMENT. Mortgagee and Mortgagee agree: (i) that this Mortgage shall constitute a Security Agreement within the meaning of the Uniform Commercial Code (the "Code") of the State in which the Premises are located with respect to all sums on deposit with the Mortgagee pursuant to Paragraphs 6 and 18 hereof ("Deposits") and with respect to any property included in the definition herein of the word "Premises," which property may not be deemed to form a part of the real estate described in EXHIBIT "A" or may not constitute a "fixture" (within the meaning of Section 9-313 of the Code) and all replacements or such property, substitutions for such property, additions to such property, books and records relating to the Premises and operation thereof and the proceeds thereof (said property, replacements, substitutions, additions and the proceeds thereof being sometimes herein collectively referred to as the "Collateral"); and (ii) that a security interest in and to the Collateral and the Deposits is hereby granted to the Mortgagee; and (iii) that if the Deposits and all of Mortgagee's right, title and interest therein are hereby assigned to the Mortgagee, all to secure payment of the Indebtedness and to secure performance by the Mortgagee of the terms, covenants and provisions hereof.

In the event of a default under this Mortgage, the Mortgagee, pursuant to the appropriate provisions of the Code, shall have an option to proceed with respect to both the real property and Collateral in accordance with its rights, powers and remedies with respect to the real property in which event the default provisions of the Code shall not apply. The parties agree that if the Mortgagee shall elect to proceed with respect to the Collateral separately from the real property, five (5) days notice of the sale of the Collateral shall be reasonable notice. The reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by the Mortgagee shall include, but not be limited to, reasonable attorneys' fees and legal expenses incurred by Mortgagee including in-house staff. The Mortgagee agrees that without the written consent of the Mortgagee, the Mortgagee will not remove or permit to be removed from the Premises any of the Collateral except that so long as the Mortgagee is not in default hereunder, Mortgagee shall be permitted to sell or otherwise dispose of the Collateral when obsolete, worn out, inadequate, unseizable or unnecessary for use in the operation of the Premises, but only upon replacing the same or substituting for the same other Collateral of at least equal in value and utility to the initial value and utility of that disposed of and in such a manner that said replacement or substituted Collateral shall be subject to the security interest created hereby and that the security interest of the Mortgagee shall be perfected and first in priority, it being expressly understood and agreed that all replacements, substitutions and additions to the Collateral shall be and become immediately subject to the security interest of this Mortgage and covered hereby. The Mortgagee shall, from time to time, on request of the Mortgagee, deliver to the Mortgagee at the cost of the Mortgagee: (i) such further financing statements and security documents and assurances as Mortgagee may require, to the end that the liens and security interests created hereby shall be and remain perfected and protected in accordance with the requirements of any present or future law, and (ii) an inventory of the Collateral in reasonable detail. The Mortgagee covenants and represents that all Collateral now is, and that all replacements thereof, substitutions thereof or additions thereto, unless the Mortgagee otherwise consents, will be free and clear of liens, encumbrances, title retention devices and security interests of others.

The Mortgagee and Mortgagee agree, to the extent permitted by law, that (i) all of the goods described within the definition of the word "Premises" herein are or are to become fixtures on the land described in EXHIBIT "A" and this instrument, upon recording or registration in the real estate records of the proper office, shall constitute a "fixture filing" within the meaning of Sections 9-313 and 9-310 of the Code, and (ii) Mortgagee is a record owner of the land described in EXHIBIT "A."

If the Collateral is sold in connection with a sale of the Premises, Mortgagee shall notify the Mortgagee prior to such sale and shall require as a condition of such sale that the purchaser specifically agree to assume Mortgagee's obligations as to the security interests herein granted and to execute whatever agreements and filings are deemed necessary by the Mortgagee to maintain Mortgagee's first perfected security interest in the Collateral, Deposits and the deposits described in Paragraph 4 above.

28. LIEN FOR LOAN COMMISSIONS, SERVICE CHARGES AND THE LIKE. So long as the original Mortgagee named on Page 1 hereof is the owner of the Note, and regardless of whether any proceeds of the loan evidenced by the Note have been disbursed, this Mortgage also secures the payment of all loan commissions, service charges, fees to its attorneys (including in-house staff), liquidated damages, expenses and advances due to or incurred by the Mortgagee in connection with the loan transaction intended to be secured hereby, all in accordance with the application of, and loan commitment issued to and accepted by, one or more of Mortgagee or Mortgagee's beneficiaries in connection with said loan, if applicable.

29. DUE ON SALE OR FURTHER ENCUMBRANCE CLAUSE. In determining whether or not to make the loan secured hereby, Mortgagee examined the credit-worthiness of Mortgagee and/or Mortgagee's beneficiary (or guarantors, if applicable) found the same to be acceptable and relied and continues to rely upon same as the means of repayment of the loan. Mortgagee also evaluated the background and experience of Mortgagee and/or its beneficiary or guarantor (if applicable) in owning and operating property such as the Premises, found the same to be acceptable and relied and continues to rely upon same as the means of maintaining the value of the Premises which is Mortgagee's security for the loan. It is recognized that Mortgagee is entitled to keep its loan portfolio at current interest rates by either making new loans at such rates or collecting assumption fees and/or increasing the interest rate on a loan the security for which is purchased by a party other than the original Mortgagee and/or its beneficiary (if applicable). Mortgagee and/or its beneficiary (if applicable) further recognize that any secondary or junior financing placed upon the Premises, or the beneficial interest of beneficiary in Mortgagee (a) may divert funds which would otherwise be used to pay the Note secured hereby, (b) could result in acceleration and foreclosure by any such junior encumbrancer which would force Mortgagee to take measures and incur expenses to protect its security, (c) would detract from the value of the Premises should Mortgagee come into possession thereof with the intention of selling same, and (d) impair Mortgagee's right to accept a deed in lieu of foreclosure, as a foreclosure by Mortgagee would be necessary to clear the title to the Premises.

In accordance with the foregoing and for the purposes of (i) protecting Mortgagee's security, both of repayment by the Indebtedness and of value of the Premises; (ii) giving Mortgagee the full benefit of its bargain and contract with Mortgagee and/or beneficiary (if applicable); and Mortgagee; (iii) allowing Mortgagee to raise the interest rate and/or collect assumption fees; and (iv) keeping the Premises and the beneficial interest (if applicable) free of subordinate financing liens, beneficiary (if appropriate) and Mortgagee agree that if this Paragraph be deemed a restraint on alienation, that it

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