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This instrument was prepared by (and after recordation should be returned to):

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Katten Muchin & Zavis
525 West Monroe Street, Suite 1600
Chicago, Illinois 60661-3693
Attention: David M. Lesser
(File No. 26789-00004-4)

54.00

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT and FINANCING STATEMENT

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT and FINANCING STATEMENT (herein sometimes called "Mortgage") is made as of February 28, 1991, by and among Chinese American Development Corporation, an Illinois corporation ("CADC"), and American National Bank and Trust Company of Chicago, not personally but as Trustee under the provisions of a Trust Agreement dated July 1, 1987 and known as Trust No. 67060 (the "CADC Trust"), in favor of EFS Service Corporation, an Illinois corporation ("EFS"), not personally, but solely as agent pursuant to a certain Chinatown Square Letter of Credit Participation Agreement (the "Letter of Credit Agreement") dated as of the date hereof by and among EFS as agent and various other persons and entities (the "Mortgagee"), having an office at 100 Addison Street, Elmhurst, Illinois 60126, Attention: Mr. Randall MacDonald. CADC and the CADC Trust are hereinafter collectively called the "Mortgagor". CADC has its office at 209 West 23rd Street, Chicago, Illinois, and the CADC Trust has an office at 33 North LaSalle Street, Chicago, Illinois.

R E C I T A L S :

A. Loan Agreement and Loan Amount. Pursuant to that certain Loan Accommodation Agreement, dated of even date herewith, by and among Mortgagor and Mortgagee (as amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), Mortgagee has committed to lend and to make available to Mortgagor certain credit facilities (the "Credit Facilities") in the maximum principal amount of FIVE MILLION FORTY EIGHT THOUSAND DOLLARS (\$5,048,000.00) and Mortgagor has agreed to repay to Mortgagee, on the terms and subject to the conditions set forth in the Loan Agreement, the principal amount thereof, together with various

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fees, costs, advances and expenses associated therewith (including, without limitation, attorneys' fees), fees payable in connection with the commitment to provide such credit, interest and other related obligations (all of said obligations are hereinafter referred to collectively as the "Liabilities"). The Mortgagor covenants in the Loan Agreement that it will perform all the covenants under a certain Amended and Restated Redevelopment/Loan Agreement by and among Mortgagor, the City of Chicago, Illinois, a public body corporate (the "City") and certain other parties (the "Senior Loan Agreement"). Where the context herein so requires, references to the Loan Agreement will be deemed to be references to the Senior Loan Agreement as incorporated into the Loan Agreement by said covenant.

B. Revolving Credit Arrangement; Advances Pursuant to Commitment. The Credit Facilities described by the Loan Agreement constitute a commitment as contemplated by Ill. Rev. Stat. Ch. 17, §15-1302(b)(1) and a revolving credit arrangement providing for future advances, as contemplated by Ill. Rev. Stat. ch. 17, §§ 312.3 and 6405 and ch. 110, § 15-1302(b)(3), which future advances may take the form of disbursements, reimbursements, letters of credit (and payments made as a result of any demands made thereon) and other extensions of credit, all of which, if and to the extent advanced by the Mortgagee within twenty (20) years from the date of recordation of this Mortgage, are intended to have priority from and after the date of recordation of this Mortgage in accordance with the terms and provisions of said statutes. The total amount of the Credit Facilities may increase or decrease from time to time, but the total shall not exceed \$5,048,000.00 plus interest thereon as set forth in the Loan Agreement.

C. Senior Mortgage and Senior Notes. Mortgagor and other entities have previously executed that certain Mortgage, Assignment of Leases and Rents, Security Agreement and Financing Statement dated of even date herewith ("Senior Mortgage") which Senior Mortgage creates a lien upon and security interest in and to, all of the "Collateral" described in Section 3 hereof. The parties hereto intend that the lien of this Mortgage upon the Collateral be junior and subordinate to the lien of the Senior Mortgage. The Senior Mortgage secures: (1) that certain promissory demand note made payable to the City in the original face principal amount of Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000.00) and designated in the Senior Mortgage as "Note One"; and (2) that certain promissory demand note made payable to the City in the original face principal amount of Five Million Forty-Eight Thousand Dollars (\$5,048,000.00) and designated in the Senior Mortgage as "Note Two". (Note One and Note Two are collectively referred to herein as the "Senior Notes".) Capitalized terms utilized in this Mortgage and not otherwise expressly defined herein shall have the meaning ascribed to them in the Senior Mortgage.

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D. The Collateral. For purposes of this Mortgage, the term "Collateral" means and includes all of the following:

(i) Real Estate. Fee simple absolute title in and to all of the land described on Exhibit A attached hereto (the "Land") and all right, title and interest of the lessee under the leasehold estate (the "Leasehold Estate") created by that certain lease executed by the Board of Education of the City of Chicago, as Lessor, and the CADC Trust, as Lessee, dated February 26, 1991 (the "Ground Lease") applicable to the real property described in Exhibit B, including any extensions thereof attached hereto, together with all and singular the tenements, rights, easements, hereditaments, rights of way, privileges, liberties, appendages and appurtenances now or hereafter belonging or in anywise appertaining to the Land or the Leasehold Estate (including, without limitation, all rights relating to storm and sanitary sewer, water, gas, electric, railway and telephone services); all development rights, air rights, water, water rights, water stock, gas, oil, minerals, coal and other substances of any kind or character underlying or relating to the Land; all estate, claim, demand, right, title or interest of the Mortgagor in and to any street, road, highway, or alley (vacated or otherwise) adjoining the Land or any part thereof; all strips and gores belonging, adjacent or pertaining to the Land; and any after-acquired title to any of the foregoing (all of the foregoing is herein referred to collectively as the "Real Estate");

(ii) Improvements and Fixtures. All buildings, structures, replacements, furnishings, fixtures, fittings and other improvements and property of every kind and character now or hereafter located or erected on the Real Estate and owned or purported to be owned by the Mortgagor, together with all building or construction materials, equipment, appliances, machinery, plant equipment, fittings, apparatus, fixtures and other articles of any kind or nature whatsoever or hereafter found on, affixed to or attached to the Real Estate and owned or purported to be owned by the Mortgagor, including (without limitation) all motors, boilers, engines and devices for the operation of pumps, and all heating, electrical, lighting, power, plumbing, air conditioning, refrigeration and ventilation equipment (all of the foregoing is herein referred to collectively as the "Improvements");

(iii) Personal Property. All furniture, furnishings, equipment (including, without limitation, telephone and other communications equipment, window cleaning, building cleaning, monitoring, garbage, air conditioning, pest control and other equipment) and all other tangible property of any kind or character now or hereafter owned or purported to be owned by the Mortgagor and used or useful in connection with the Real

Estate, including, without limitation, all rights of the Mortgagor under any lease of furniture, furnishings, fixtures and other items of personal property at any time during the term of such lease (all of the foregoing is herein referred to collectively as the "Goods");

(iv) Intangibles. All option rights, purchase contracts, books and records relating to the Real Estate or the Improvements and any other intangible property of the Mortgagor related to the Real Estate or the Improvements and, to the extent this is a Leasehold Mortgage, the Mortgagor's right of election and possession under Section 365(h) of the Federal Bankruptcy Code, as amended from time to time, or any replacement therefor, in the event that the lessor or landlord under the Ground Lease is a debtor thereunder and rejects the Ground Lease (all of the foregoing is herein referred to collectively as the "Intangibles");

(v) Rents. All rents, issues, profits, royalties, avails, income and other benefits derived or owned by the Mortgagor directly or indirectly from the Real Estate or the Improvements (all of the foregoing is herein collectively called the "Rents");

(vi) Leases. All rights of the Mortgagor under all leases, licenses, occupancy agreements, concessions or other arrangements, whether written or oral, whether now existing or entered into at any time hereafter, whereby any person agrees to pay money to the Mortgagor or any consideration for the use, possession or occupancy of, or the conducting of any business on, or any estate in the Real Estate or the Improvements or any part thereof, and all rents, income, profits, benefits, avails, advantages and claims against guarantors under any thereof, (all of the foregoing is herein referred to collectively as the "Leases");

(vii) Plans. All rights of the Mortgagor, if any, to plans and specifications, designs, drawings and other matters prepared in connection with the Real Estate (all of the foregoing is herein called the "Plans");

(viii) Contracts for Construction or Services. All rights of the Mortgagor, if any, under any contracts executed by the Mortgagor with any provider of goods or services for or in connection with any construction undertaken on, or services performed or to be performed in connection with, the Real Estate or the Improvements, including any architect's contract (all of the foregoing is herein referred to collectively as the "Contracts for Construction");

(ix) Contracts for Sale or Financing. All rights of the Mortgagor, if any, as seller or borrower under any agreement, contract, understanding or arrangement pursuant to which the Mortgagor has, with the prior written consent of the Mortgagee, obtained the agreement of any person to pay or disburse any money for the Mortgagor's sale (or borrowing on the security) of the Collateral or any part thereof (all of the foregoing is herein referred to collectively as the "Contracts for Sale"); and

(x) Other Property. All other property or rights of the Mortgagor of any kind or character related to the Real Estate or the Improvements, and all proceeds (including insurance and condemnation proceeds) and of any of the foregoing, including all proceeds of the conversion, whether voluntary or involuntary, of any of the foregoing into cash or liquidated claims. (All of the Real Estate and the Improvements, and any other property constituting a portion of the Collateral which is real estate under applicable law, is sometimes referred to collectively herein as the "Premises.").

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NOW THEREFORE, for and in consideration of the Mortgagee's executing and delivering the Loan Agreement, and of the Mortgagee's making any loan, advance or other financial accommodation at any time to or for the benefit of the Mortgagor, and in consideration of the various agreements contained herein and in the Loan Agreement, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged by the Mortgagor and in order to secure the full, timely and proper payment and performance of each and every one of the Liabilities,

THE MORTGAGOR HEREBY MORTGAGES, CONVEYS, GRANTS, BARGAINS, SELLS, TRANSFERS AND ASSIGNS (AND CADC ALSO WARRANTS) TO THE MORTGAGEE AND ITS SUCCESSORS AND ASSIGNS FOREVER, AND GRANTS TO THE MORTGAGEE A CONTINUING LIEN UPON AND SECURITY INTEREST IN AND TO, ALL OF THE COLLATERAL, UNDER AND SUBJECT TO THE TERMS AND CONDITIONS HEREINAFTER SET FORTH.

TO HAVE AND TO HOLD the Collateral unto the Mortgagee and its successors and assigns forever, for the purposes and uses herein set forth.

PROVIDED, HOWEVER, that if the Liabilities secured hereby shall be paid, and if the Mortgagor shall pay all other sums herein provided for, or secured hereby, and shall well and truly keep and perform all of the covenants herein contained, then this Mortgage shall be released at the cost of the Mortgagor, otherwise

to remain in full force and effect. All of the Collateral, whether real, personal, or mixed, whether affixed or annexed or not (except where otherwise hereinabove specified) and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared to form a part and parcel of the Premises and to be appropriated to the use of the Premises, and shall be for the purposes of this Mortgage deemed to be real estate and conveyed and mortgaged hereby. As to any of the Collateral which (notwithstanding the aforesaid declaration and agreement) does not so form a part and parcel of the Premises, this Mortgage is hereby deemed to be, as well, a Security Agreement under the Uniform Commercial Code in effect in the jurisdiction in which the Premises are located (hereinafter referred to as the "UCC") for the purpose of creating hereby a security interest in such property, which Mortgagor hereby grants to Mortgagee as Secured Party (as said term is defined in the UCC), securing said indebtedness and obligations and Mortgagee shall have in addition to its rights and remedies hereunder all rights and remedies of a Secured Party under the UCC. As to any of the Collateral which the UCC classifies as fixtures, this instrument shall constitute a fixture filing and financing statement under the UCC.

The Mortgagor hereby covenants with (and CADC warrants to) the Mortgagee and with the purchaser at any foreclosure sale: that at the execution and delivery hereof it is well seized of the Premises, and of a good, indefeasible estate therein, in fee simple or, with respect to the Leasehold Estate, leasehold; that the collateral is free from all encumbrances whatsoever (and any claim of any other person thereto) other than the lien and security interest granted under the Senior Mortgage and to the Mortgagee hereunder and the encumbrances set forth in the title insurance policy insuring the lien of this Mortgage in favor of the Mortgagee (collectively, the "Permitted Exceptions"); that it has good and lawful right to sell, mortgage and convey the Collateral; and that it and its successors and assigns will forever warrant and defend the Collateral against all claims and demands whatsoever with the exception of the Permitted Exceptions. To the extent this is a Leasehold Mortgage, the Mortgagor further covenants and warrants that the Ground Lease is the valid, binding and legal obligation of the parties thereto, is enforceable in accordance with its terms, is in full force and effect and has not been amended or modified in any way (except as set forth in Exhibit B); that no default has occurred under the Ground Lease and no event has occurred which, with passage of time or giving of notice or both could ripen into a default; that the CADC Trust took possession of the portion of the Premises covered by the Ground Lease, as contemplated by the Ground Lease and has since been in continuous, uninterrupted possession of the same; and that CADC and its successors and assigns will forever warrant and defend the same against all claims and demands whatsoever with the exception of the Permitted Exceptions.

I. COVENANTS AND AGREEMENTS
OF MORTGAGOR

Further to secure the full, timely and proper payment and performance of the Liabilities, the Mortgagor hereby covenants and agrees with, and warrants to, the Mortgagee as follows:

1.1. Ownership of the Real Estate; Material Inducement to Lend. The CADC Trust, in its capacity as Trustee, is the owner of the Real Estate described on Exhibit A and the CADC Trust is the owner of the Leasehold Estate. CADC is the owner of the entire beneficial interest in, to and under the CADC Trust. CADC and the CADC Trust acknowledge and agree that each of them will receive material benefits under the Loan Agreement and that their execution and delivery of this Mortgage is a material inducement to Mortgagee to make the Credit Facilities available to Mortgagor.

1.2. Payment of Liabilities. The Mortgagor covenants and agrees that it will pay all sums which may become due pursuant to the Loan Agreement and all other indebtedness hereby secured as described in the foregoing clauses of this Mortgage, including, but not limited to, all drawings under the Credit Facilities and all charges, fees and all other sums to be paid by the Mortgagor as provided in the Loan Agreement and that it will duly and punctually perform, observe and comply with all of the terms, provisions and conditions herein and in the Loan Agreement provided to be performed and observed by the Mortgagor. The Mortgagor shall duly perform and observe all of the terms and provisions of the Senior Mortgage and any other documents and instruments executed and delivered in connection with the Senior Mortgage (the "Senior Loan Documents") and shall not suffer or permit any default or event of default to occur thereunder.

1.3. Payment of Taxes. The Mortgagor shall pay all taxes, assessments, water charges, sewer charges and the like (the "Taxes") on the Premises when the same are due and before any penalty attaches and shall provide the Mortgagee or Mortgagee's designee with paid receipts or other acceptable evidence of payment thereof. Notwithstanding the foregoing, the Mortgagor may, except as otherwise provided in the Loan Agreement or the Senior Mortgage in good faith and with reasonable diligence, contest the validity or amount of any such taxes, assessments or charges, provided that during any such contest the enforcement of the lien of such taxes, assessments or charges is stayed. Notwithstanding any provision herein to the contrary, in the event of a Default hereunder after such time as the Senior Mortgage has been released, Mortgagee shall require that Mortgagor make deposits for Taxes as more fully described in Section 1.26 hereunder.

1.4. Maintenance, Repair and Restoration of Improvements. The Mortgagor shall (a) promptly repair, restore or rebuild the Improvements which may become damaged or be destroyed; (b) keep the Premises in good condition and repair, without waste; (c) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the Premises and the use thereof; (d) initiate or acquiesce in no zoning variation or reclassification, without Mortgagee's written consent; (e) not permit the granting of any easements licenses, covenants, conditions, or declarations of use against the Premises, other than use restrictions provided for or contained in Leases previously approved by the Mortgagee; and (f) Mortgagor shall complete the Project in the manner required, and within the time limits imposed, by the Loan Agreement.

1.5. Liens. The Premises (including, without limitation, all furniture, fixtures and equipment) shall be and remain free and clear of all liens and encumbrances of every nature and description, except for the Permitted Exceptions including without limitation the Senior Mortgage. Notwithstanding the foregoing, Mortgagor may contest in good faith the validity of any mechanic's or materialman's lien, provided Mortgagor shall either cause Chicago Title Insurance Company to insure over such mechanic's or materialman's lien for the benefit of the Mortgagee or first post a bond in an amount not less than one hundred fifty percent (150%) of the amount of the claim and provided further, in either such case, that the Mortgagor diligently prosecutes the claim and causes the removal of such lien.

1.6. Insurance. Mortgagor shall keep the Improvements now or hereafter erected upon the Premises and all other Collateral insured against loss or damage by fire and such other hazards as may be requested by Mortgagee and shall maintain comprehensive public liability insurance in an amount not less than \$3,000,000 combined single limit per occurrence/aggregate. Said insurance shall be written on an "occurrence" basis. In addition, the Mortgagor shall insure the Premises in such amounts and against such risks and hazards as are required by the Loan Agreement and, to the extent any such insurance requirements exceed those set forth above, the insurance requirements set forth in the Loan Agreement shall control. Until all of the Liabilities have been paid in full, Mortgagor shall keep the Premises continuously insured in such amounts and against such risks and hazards as the Mortgagee may from time to time reasonably require, and Mortgagor shall pay as the same become due all premiums (the "Premiums") in respect thereto. Notwithstanding any provision herein to the contrary, in the event of a Default hereunder after such time as the Senior Mortgage has been released, Mortgagee shall require that Mortgagor make deposits for Premiums as more fully described in Section 1.26 hereunder. Copies or certificates of the insurance policies required by this Section 1.6 have been delivered to the Mortgagee, and copies or certificates of any new

or renewal policies shall be delivered to the Mortgagee not less than thirty (30) days prior to the applicable expiration date. The policies of insurance provided for in this Section 1.6 shall be maintained with companies reasonably satisfactory to the Mortgagee and licensed to do business in the State of Illinois and shall name the Mortgagee as an additional party insured, as its interests may appear, and shall have attached thereto a mortgagee's loss payable endorsement for the benefit of the Mortgagee in form satisfactory to the Mortgagee and all proceeds thereunder in the case of loss or damage shall be payable to the Mortgagee pursuant to such mortgagee loss payable clause subject to the rights of the Senior Mortgagee. All policies of insurance required hereunder shall provide that the same may not be canceled or materially amended except upon thirty (30) days' prior written notice to the Mortgagee. In the event of foreclosure of this Mortgage or other transfer of title to the Premises in extinguishment of the Liabilities, all right, title and interest of the Mortgagor in and to any insurance policies then in force and any claims or proceeds thereunder shall pass to Mortgagee or any purchaser or grantee at the foreclosure sale or after entry of decree of foreclosure.

1.7. Adjustment of Losses With Insurer and Application of Proceeds of Insurance. If, prior to the payment in full of the Liabilities, the Premises, or any portion thereof, are damaged by fire or other casualty, the Mortgagor shall give written notice of any such damage or destruction to the Mortgagee. Subject to the rights of the Senior Mortgagee, the Mortgagee shall, at its option, and is hereby authorized to (a) apply any insurance proceeds received against (i) the expense incurred in adjusting and collecting such insurance proceeds and (ii) the Liabilities, in such order and priority as Mortgagee may elect; or (b) apply the insurance proceeds to reimburse the Mortgagor for the cost of restoring, repairing, replacing or rebuilding the Premises. Under no circumstances shall the Mortgagee become personally liable for the fulfillment of the terms, covenants and conditions contained in any leases or subleases of the Premises nor be obligated to take any action to repair and restore the Premises.

1.8. Stamp and Other Taxes. If the Federal, or any state, county, local, municipal or other, government or any subdivision of any thereof having jurisdiction, shall levy, assess or charge any tax (excepting therefrom any income tax on the Mortgagee's receipt of interest payments on the principal portion of the indebtedness secured hereby), assessment or imposition upon this Mortgage or the Liabilities, the interest of the Mortgagee in the Collateral, or any of the foregoing, or upon the Mortgagee by reason of or as holder of any of the foregoing, or shall at any time or times require revenue stamps to be affixed to this Mortgage, or any of the other documents executed and delivered in connection with this Mortgage (the "Related Documents"), the Mortgagor shall pay all such taxes and stamps to or for the

Mortgagee as they become due and payable. If any law or regulation is enacted or adopted permitting, authorizing or requiring any tax, assessment or imposition to be levied, assessed or charged, which law or regulation prohibits the Mortgagor from paying the tax, assessment, stamp, or imposition to or for the Mortgagee, then all sums hereby secured shall become immediately due and payable at the option of the Mortgagee. Thereafter, if the Mortgagor fails to make payment of all such sums within thirty (30) days after the Mortgagee's demand therefor, such failure shall constitute a Default (as hereinafter defined) hereunder and all sums secured hereby shall become immediately due and payable.

1.9. Effect of Extensions of Time. If the payment of the Liabilities or any part thereof is extended or varied or if any part of any security for the payment of the Liabilities is released or additional security is taken, all persons now or at any time hereafter liable therefor, or interested in the Collateral, shall be held to assent to such extension, variation, or taking of additional security or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding such extension, variation, taking of additional security or release.

1.10. Recorded Instruments. That Mortgagor will promptly perform and observe, or cause to be performed or observed, all of the terms, covenants and conditions of all instruments of record affecting the Collateral, noncompliance with which would affect the security of this Mortgage or impose any duty or obligation upon Mortgagor or other occupant of the Premises, or any part thereof, and Mortgagor shall do or cause to be done all things necessary to preserve intact and unimpaired any and all easements, appurtenances and other interests and rights in favor of or constituting any portion of the Premises.

1.11. Mortgagee's Performance of Defaulted Acts.

(a) In case of any Default hereunder, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or consent to any tax or assessment or cure any default of 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 any stamp tax or any Leases or to protect the Premises and 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 Default Rate (as hereinafter defined); and, to the extent this is a Leasehold Mortgage, pay any amount due, or perform any covenant, agreement, or other undertaking of the CADC Trust under the Ground Lease. 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.

(b) Mortgagor hereby authorizes Mortgagee, at its option, to perform any covenants, do any acts, or make any payments which are required by the terms of the Senior Mortgage and the Senior Notes secured thereby, as have not been performed by, done by, or paid by Mortgagor, at the times required by said Senior Mortgage and the Senior Notes secured thereby. All expenses incurred and all sums paid by Mortgagee relative to the foregoing authority shall be secured with interest thereon at the Default Rate and shall be payable to Mortgagee on demand. The exercise of the option by Mortgagee to perform any of said covenants, do any of said acts, or make any of said payments as aforesaid, may be made by Mortgagee prior to, simultaneously with, or subsequent to the exercise by Mortgagor of the option herein contained to declare all indebtedness hereby secured, without notice, to be immediately due and payable.

1.12. Mortgagee's Reliance on Tax Bills. Mortgagee in making any payment hereby authorized: (a) relating to taxes and 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; 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.

1.13. Condemnation. Subject to the provisions of the Senior Mortgage, any and all awards made by any governmental or lawful authority for the taking, through the exercise of condemnation or eminent domain, of all or any part of the Premises, whether temporarily or permanently, are hereby assigned by the Mortgagor to the Mortgagee, and the Mortgagee is hereby authorized to give appropriate receipts and acquittances therefor. After deducting from such award for such taking all of its expenses incurred in the collection and administration of the award, including attorneys' fees, the Mortgagee shall be entitled to apply the net proceeds toward creation of a reserve fund owned and held by the Mortgagee which shall be used, until exhausted, to pay the Liabilities as the Mortgagee deems appropriate.

1.14. Mortgagee's Right of Inspection. Mortgagee shall have the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose.

1.15. Continuing Priority. The Mortgagor will: pay such fees, taxes and charges, execute and file (at the Mortgagor's expense) such financing statements, obtain such acknowledgments or consents, notify such obligors or providers of services and materials and do all such other acts and things as the Mortgagee may from time to time request to establish and maintain a valid and perfected lien on and security interest in the Collateral and to provide for payment to the Mortgagee directly of all cash proceeds thereof, with the Mortgagee in possession of the Collateral to the extent it requests; maintain its executive office and principal place of business at all times at the address shown above; keep all of its books and records relating to the Collateral on the Premises or at such address; keep all tangible Collateral on the Real Estate except as the Mortgagee may otherwise consent in writing; make notations on its books and records sufficient to enable the Mortgagee, as well as third parties, to determine the interest of the Mortgagee hereunder; and not collect any Rents or the proceeds of any of the Leases or Intangibles more than 30 days before the same shall be due and payable except as the Mortgagee may otherwise consent in writing.

1.16. Utilities. The Mortgagor will pay all utility charges incurred in connection with the Collateral and maintain all utility services available for use at the Premises.

1.17. Contract Maintenance; Other Agreements; Leases.

(a) The Mortgagor will, for the benefit of the Mortgagee, fully and promptly keep, observe, perform and satisfy each obligation, condition, covenant, and restriction of the Mortgagor affecting the Premises or imposed on it under any agreement between Mortgagor and a third party relating to the Collateral or the Liabilities secured hereby, including, without limitation, the Ground Lease, the Leases, the Contracts for Sale, the Contracts for Construction, and the Intangibles (collectively, the "Third Party Agreements"), so that there will be no default thereunder and so that the persons (other than the Mortgagor) obligated thereon shall be and remain at all times obligated to perform for the benefit of the Mortgagee; and the Mortgagor will not permit to exist any condition, event or fact which could allow or serve as a basis or justification for any such person to avoid such performance. Without the prior written consent of the Mortgagee, the Mortgagor shall not (i) make or permit any termination or amendment of the rights of the Mortgagor under any Third Party Agreement; (ii) collect rents or the proceeds of any Leases or Intangibles more than 30 days before the same shall be due and payable; (iii) assign or sublet the whole or any portion of any lessee's interest under the Ground Lease; or (iv) in any other manner impair Mortgagee's rights and interest with respect to the Rents or the Ground Lease. The Mortgagor shall promptly deliver to the Mortgagee copies of any demands or notices of default received by the Mortgagor in connection with any Third

Party Agreement and allow the Mortgagee the right, but not the obligation, to cure any such default. All security or other deposits, if any, received from tenants under the Leases shall be segregated and maintained in an account satisfactory to the Mortgagee and in compliance with the law of the state where the Premises are located and with an institution satisfactory to the Mortgagee.

(b) Unless otherwise elected by the Mortgagee in the event foreclosure proceedings are instituted pursuant to this Mortgage, nothing in this Mortgage or in any of the other Related Documents shall be construed to obligate the Mortgagee, expressly or by implication, to perform any of the covenants of the Mortgagor as lessee under the Ground Lease or to pay any sum of money or damages therein provided to be paid by the Mortgagor as lessee under the Ground Lease, each and all of which covenants and payments the Mortgagor agrees to perform and pay.

(c) Nothing in this Mortgage or in any of the other Related Documents shall be construed to obligate Mortgagee, expressly or by implication, to perform any of the covenants of Mortgagor as landlord under any of the Leases assigned to Mortgagee or to pay any sum of money or damages therein provided to be paid by the landlord, each and all of which covenants and payments Mortgagor agrees to perform and pay. Unless waived by Mortgagee, each of the Leases shall have a subordination provision in form and substance reasonably satisfactory to Mortgagee, subordinating the interest of the tenants under the Leases to this Mortgage, and all renewals, modifications, consolidations, replacements and extensions hereof and shall have attornment and noncancellation clauses in form and substance reasonably satisfactory to Mortgagee. Until all of the Liabilities and other sums secured by this Mortgage are paid in full, Mortgagee reserves the right to require that any Lease be made either superior to or inferior to the lien of this Mortgage.

(d) In the event of the enforcement by Mortgagee of the remedies provided for by law or by this Mortgage, the lessee under each Lease shall attorn to any person succeeding to the interest of Mortgagor as a result of 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, and shall not be bound by any amendment or modification to any Lease made without the consent of Mortgagee or said successor in interest. Each lessee, upon request by said successor in interest, shall execute and deliver an instrument or instruments confirming such attornment.

1.18. Notify the Mortgagee of Default. The Mortgagor shall notify the Mortgagee in writing forthwith upon learning of the occurrence of any Default hereunder or under the Senior Loan Documents, which notice shall describe such Default and the steps being taken by the Mortgagor with respect thereto.

1.19. No Assignments; Future Leases. Subject to the rights of the Senior Mortgagee, the Mortgagor will not cause or permit any Rents, Leases, Contracts for Sale, or other contracts relating to the Premises to be assigned, transferred, conveyed, pledged or disposed of to any party other than the Mortgagee without first obtaining the express written consent of the Mortgagee to any such assignment or permit any such assignment to occur by operation of law. In addition, the Mortgagor shall not cause or permit all or any portion of or interest in the Premises or the Improvements to be leased (that word having the same meaning for purposes hereof as it does in the law of landlord and tenant) directly or indirectly to any person, except with the prior written consent of the Mortgagee and, if granted, under Leases approved in writing by the Mortgagee.

1.20. Assignment of Leases and Rents and Collections.

(a) Subject to the rights of the Senior Mortgagee, all of the Mortgagor's interest in and rights under the Leases now existing or hereafter entered into, and all of the Rents, whether now due, past due, or to become due, and including all prepaid rents and security deposits, and all other amounts due with respect to any of the other Collateral, are hereby absolutely, presently and unconditionally assigned and conveyed to the Mortgagee to be applied by the Mortgagee in payment of the Liabilities, all sums due under the Loan Agreement and all other sums payable under this Mortgage. Prior to the occurrence of any Default, the Mortgagor shall have a license to collect and receive all Rents and other amounts, which license shall be terminated at the sole option of the Mortgagee, without regard to the adequacy of its security hereunder and without notice to or demand upon the Mortgagor, upon the occurrence of any Default. It is understood and agreed that neither the foregoing assignment to the Mortgagee nor the exercise by the Mortgagee of any of its rights or remedies under Article II hereof shall be deemed to make the Mortgagee a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Collateral or the use, occupancy, enjoyment or any portion thereof, unless and until the Mortgagee, in person or by agent, assumes actual possession thereof. Nor shall appointment of a receiver for the Collateral by any court at the request of the Mortgagee or by agreement with the Mortgagor, or the entering into possession of any part of the Collateral by such receiver, be deemed to make the Mortgagee a mortgagee-in-possession or otherwise responsible or liable in any manner with respect to the Collateral or the use, occupancy, enjoyment or operation of all or any portion thereof. Upon the occurrence of

any Default, this shall constitute a direction to and full authority to each lessee under any Leases, each guarantor of any of the Leases and any other person obligated under any of the Collateral to pay all Rents and other amounts to the Mortgagee without proof of the Default relied upon. The Mortgagor hereby irrevocably authorizes each such person to rely upon and comply with any notice or demand by the Mortgagee for the payment to the Mortgagee of any Rents and other amounts due or to become due.

(b) The Mortgagor shall apply the Rents and other amounts to the payment of all necessary and reasonable operating costs and expenses of the Collateral, debt service on the Liabilities and otherwise in compliance with the provisions of the Loan Agreement.

(c) The Mortgagor shall at all times fully perform the obligations of the lessor under all Leases. The Mortgagor shall at any time or from time to time, upon request of the Mortgagee, execute such additional documentation reasonably requested by Mortgagee to evidence the transfer and assignment to the Mortgagee in such form as may be satisfactory to the Mortgagee, the Mortgagor's interest in the Leases, subject to and upon the condition, however, that prior to the occurrence of any Default hereunder, the Mortgagor shall have a license to collect and receive all Rents under such Leases upon accrual, but not prior thereto, as set forth in paragraph (a) above.

(b) The Mortgagee shall have the right to assign the Mortgagee's right, title and interest in any Leases to any subsequent holder of this Mortgage or any participating interest therein or to any person acquiring title to all or any part of the Collateral through foreclosure or otherwise. Any subsequent assignee shall have all the rights and powers herein provided to the Mortgagee. Upon the occurrence of any Default, the Mortgagee shall have the right to execute new leases of any part of the Collateral, including leases that extend beyond the term of this Mortgage.

1.21. Indemnification. Mortgagor hereby agrees to indemnify, defend and hold the Mortgagee harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including without limitation, attorneys' fees and court costs) suffered or incurred by the Mortgagee arising from or in connection with (i) the failure of Mortgagor to perform its obligations under this Mortgage, the Loan Agreement or any of the other Related Documents or (ii) the failure of Mortgagor or any contractor to pay contractors, subcontractors, or materialmen for any services provided, or materials supplied, to or in connection with the Premises or (iii) material misrepresentations or omissions in the Loan Agreement, this Mortgage or any of the other Related Documents which are the result of information supplied or omitted by the Mortgagor or by

agents, employees, contractors, or persons acting under the control or at the request of the Mortgagor, or (iv) the failure of the Mortgagor to cure any misrepresentations or omissions in this Mortgage, the Loan Agreement or any of the other Related Documents, or (v) any claim or cause of action for injury or damage to persons or property brought by third parties arising out of the construction or operation of the Premises by the Mortgagor, or (vi) any actual, potential or threatened use, generation, spill, leakage, transportation, escape, discharge, emission, and/or release on, in, over, about, upon, into, to and/or from all or any portion of the Collateral of any "Hazardous Material" (as hereinafter defined), including, without limitation, any violation of any applicable statute, rule or regulation for the protection of the environment including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, as amended, and any so-called "Superfund" or "Superlien" laws, which occurs upon the Premises or in connection with the imposition of any governmental lien for the recovery of environmental clean-up costs expended by reason of such violation. As used herein, the term "Hazardous Material" means and includes asbestos, petroleum and any hazardous, chemical, toxic or dangerous waste, substance or material or any pollutant or contaminant defined as such in or the use, generation, transportation or processing of which is regulated or controlled by or pursuant to any Statute (as hereinafter defined) and any other hazardous, chemical, toxic or dangerous waste, substance or material. As used herein the term "Statute" means and includes the Comprehensive Environmental Response, Compensation and Liability Act, any so-called "Superfund" or "Superlien" law, the Toxic Substances Control Act, and any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, health or any hazardous, chemical, toxic or dangerous waste, substance or material that is now or at any time hereafter in effect. The Mortgagor further agrees that the indemnity in the foregoing subsection (vi) and the representations and warranties contained therein or related thereto shall continue and remain in full force and effect beyond the termination or release of this Mortgage.

1.22. Books and Records; Financial Reporting. Mortgagor shall keep and maintain separate, complete, accurate and detailed books and records relating to the Premises. Mortgagor shall allow the Mortgagee and the U.S. Department of Housing and Urban Development and their respective authorized representatives (i) to have access at any time during normal business hours to the books and records kept by or on behalf of Mortgagor in connection with the Premises, and (ii) to make copies of any documents or instruments relating to the Premises. Until payment in full of the Liabilities, the Mortgagor shall deliver to the Mortgagee, within one hundred twenty (120) days after the end of each fiscal year of the Mortgagor, a balance sheet certified by the Mortgagor

as to accuracy, and a statement of an independent certified public accountant certifying: operating income and receipts; operating expenses; and net annual cash flow resulting from Mortgagor's operations.

1.23. Assignability and Transfer. Neither the Mortgagor nor any of its members, partners, beneficiaries or shareholders shall assign, transfer or convey all or any of its or their interest in the Mortgagor which transfer or assignment results in a change of control over the Mortgagor or creates any conflict of interest under or otherwise violates any state, federal or local law, ordinance, regulation or ruling, nor cause or permit the CADC Trust to assign, lease (for a period in excess of one year), transfer or convey any right, title or interest in the CADC Trust or in the Premises, without the prior written consent of the Mortgagee being first obtained. Unless agreed to herein or hereafter in writing, the Mortgagor shall not sell, assign, lease, convey, pledge, mortgage, hypothecate or otherwise transfer all or any portion of the Collateral or the beneficial interest in the CADC Trust or suffer or permit any of the foregoing, unless and until all of the letters of credit representing the Credit Facilities shall have expired and/or been released in full and no assignment, lease, transfer or conveyance, whether or not consented to by the Mortgagee, shall relieve the Mortgagor of its obligations under this Mortgage, and all assignees, lessees, grantees and transferees of any interest, direct or indirect, in the Premises, the Mortgagor, or this Mortgage, whether or not consented to by the Mortgagee, shall hold such interest subject to and be obligated in accordance with the terms and provisions of this Mortgage and the Loan Agreement. Transfers by reason of death, incompetency, bankruptcy or operation of law shall not be deemed to violate the provisions of this Section 1.23, unless such a transfer would violate any state, federal or local law, ordinance, regulation or ruling.

1.24. Estoppel Letters. The Mortgagor shall furnish from time to time within 15 days after the Mortgagee's request, a written statement, duly acknowledged, of the amount due upon this Mortgage and whether any alleged offsets or defenses exist against the indebtedness, secured by this Mortgage.

1.25. Lien From Date of Recording. This Mortgage is given to secure a revolving credit arrangement based on a commitment providing for future advances, as described in Section B of the Recitals to this Mortgage. The parties intend that such advances, if and to the extent advanced by the Mortgagee within twenty (20) years from the date of recordation of this Mortgage, are intended to have priority from and after the date of recordation of this Mortgage.

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1.26 Deposits for Taxes and Insurance Premiums.

(a) In the event of a Default hereunder after such time as the Senior Mortgage has been released, Mortgagee shall require Mortgagor to deposit with Mortgagee on the first business day of each month an amount equal to one-twelfth (1/12) of the Taxes and Premiums thereof to become due with respect to the Premises between one (1) and thirteen (13) months after the date of such deposit; provided that in the case of the first such deposit, Mortgagor shall deposit in addition an amount which, when added to the aggregate amount of monthly deposits to be made hereunder with respect to Taxes and Premiums to become due within thirteen (13) months after such first deposit, will provide (without interest) a sufficient fund to pay such Taxes and Premiums, one (1) month prior to the date when they are due. The amounts of such deposits (herein generally called "Tax and Insurance Deposits") shall be based upon Mortgagee's estimate of the amount of Taxes and Premiums. Mortgagee shall hold all Tax and Insurance Deposits without any allowance of interest thereon.

(b) Mortgagee will, out of the Tax and Insurance Deposits, upon the presentation to Mortgagee by Mortgagor of the bills therefor, pay the Taxes and Premiums or will, upon the presentation of receipted bills therefor, reimburse Mortgagor for such payments made by Mortgagor. If the total Tax and Insurance Deposits on hand shall not be sufficient to pay all of the Taxes and Premiums when the same shall become due, then Mortgagor shall pay to Mortgagee on demand the amount necessary to make up the deficiency.

(c) Upon a Default under this Mortgage, Mortgagee may, at its option, apply any Tax and Insurance Deposits on hand to the Liabilities, in such order and manner as Mortgagee may elect. When the Liabilities have been fully paid, any remaining Tax and Insurance Deposits shall be paid to Mortgagor. All Tax and Insurance Deposits are hereby pledged as additional security for the Liabilities and shall be held by Mortgagor irrevocably to be applied for the purposes for which made as herein provided, and shall not be subject to the direction or control of Mortgagor.

(d) The provisions of this Mortgage are for the benefit of Mortgagor and Mortgagee alone. No provision of this Mortgage shall be construed as creating in any other party any rights in and to the Tax and Insurance Deposits or any rights to have the Tax and Insurance Deposits applied to payment of Taxes and Premiums. Mortgagee shall have no obligation or duty to any third party to collect Tax and Insurance Deposits.

1.27 In no event shall this Mortgage secure an amount which is more than two hundred percent (200%) of the maximum principal amount of the Credit Facilities. By acceptance of this Mortgage, Mortgagee acknowledges for the benefit of the City that drafting any period when the Senior Mortgage encumbers the Collateral, Mortgagee shall have no right to a judgment in a foreclosure action in excess of \$7 million, provided that said limitation shall not affect the amount of the lien subject to foreclosure after the extinguishment or release of the Senior Mortgage.

II. D E F A U L T ; R E M E D I E S

2.1. Defaults. Each of the following shall constitute a default ("Default") hereunder:

(a) failure of the Mortgagor to make any payment of any amounts required to be paid hereunder within five (5) days after the due date thereof, whether at maturity or by acceleration or otherwise; or

(b) failure of the Mortgagor to make any payment of any amounts required to be paid under the Loan Agreement or under any of the other Related Documents when due giving effect to grace or cure periods, if any; or

(c) failure of the Mortgagor to comply with or perform any of the covenants, conditions, or provisions of this Mortgage, the Loan Agreement or the other Related Documents, or any documents evidencing or securing any construction loan for any phase of the Project within the applicable cure period, if any, or

(d) any default or breach of any covenants as contained in the Senior Mortgage or the other Senior Loan Documents; or

(e) failure to comply with the commencement and/or completion dates for the construction of Phase 1A1 of the Project as set forth in the Loan Agreement, and the continuance of such failure for a period of thirty (30) days following written notice thereof from the Senior Mortgagee; or

(f) if any representation or warranty made by the Mortgagor in this Mortgage, the Loan Agreement, the other Related Documents or any agreement or document contemplated herein or in any statement or certificate furnished to the Mortgagee in connection with this Mortgage or the Loan Agreement proves to be untrue or inaccurate in any material respect; or

(g) if default, not contested in good faith, shall occur by the Mortgagor under any construction contract relating to the construction of the Project; or

(h) any judgment, writ or warrant of attachment or of any similar process shall be entered or filed against the Mortgagor or against any of its property and remains unvacated, unpaid, unbonded, unstayed or uncontested in good faith for a period of sixty (60) days; or

(i) if the Mortgagor admits insolvency or bankruptcy or its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors or applies for or consents to the appointment of a trustee, custodian or receiver; or

(j) if a trustee, custodian or receiver is appointed for the Mortgagor or for the major part of its property and is not discharged within seventy-five (75) days after such appointment; or

(k) if proceedings for dissolution or liquidation of the Mortgagor are commenced and are not dismissed, stayed or otherwise nullified within seventy-five (75) days after such commencement; or

(l) if bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings for relief under any bankruptcy law or similar law for the relief of debtors are instituted by or against the Mortgagor, and if instituted (i) are not dismissed, stayed or otherwise nullified within seventy-five (75) days after such institution or (ii) are allowed or are consented to; or

(m) if the Mortgagor sells or permits another to sell, refinance, exchange, transfer or otherwise dispose of the Premises or any part thereof or attempt to effect any of the foregoing without the prior written consent of the Mortgagee; or

(n) any default under any financing of the Mortgagor with any construction or other lender with respect to the Project, including, without limitation, the Senior Mortgage, and any such default continues for more than the applicable period of grace, if any, therein set forth.

2.2. Acceleration. Upon the occurrence of any Default, the entire indebtedness secured by this Mortgage and all other Liabilities, together with interest thereon at the Default Rate (as hereinafter defined) shall, notwithstanding any provisions of the Related Documents, at once, at the option of the Mortgagee, become immediately due and payable without demand or notice of any kind to the Mortgagor or any other person.

2.3. Foreclosure; Expense of Litigation. Upon the occurrence of any Default, Mortgagee shall have the right, subject to the limitations of Section 2.10 hereof, immediately to foreclose this Mortgage. In any civil action to foreclose the lien hereof, there shall be allowed and included as Liabilities in the order or judgment for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the 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 title as Mortgagee may deem reasonably necessary either to prosecute such civil actions or to evidence to bidders at any sale

which may be held pursuant to such order or judgment the true condition of the title to or the value of the Collateral. All expenditures and expenses of the nature in this Section 2.3 mentioned, and such expenses and fees as may be incurred in the protection of the Collateral and maintenance of the lien of this Mortgage, including the fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage or the other Liabilities, including probate, bankruptcy and appellate proceedings, or in preparation for the commencement or defense of any proceeding of threatened civil actions or proceeding shall be immediately due and payable by Mortgagor, with interest thereon at the Default Rate, and shall be secured by this Mortgage.

2.4. Application of Proceeds of Foreclosure Sale. The proceeds of any foreclosure sale of the Premises or of the exercise of any other remedy hereunder shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings or such other remedy, including all such items as are mentioned in Section 2.3 hereof; second, the Liabilities and all other items which under the terms hereof constitute indebtedness secured by this Mortgage other than amounts due under the Credit Facilities, with interest thereon as herein provided; third, all amounts remaining unpaid under the Credit Facilities; and fourth, any overplus to the Mortgagor, its successors or assigns, as their rights may appear.

2.5. Appointment of Receiver. Upon, or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not and the Mortgagee hereunder or any holder of the Notes may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit and during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the Liabilities, or any judgment or order foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; and (b) the deficiency in case of a sale and deficiency.

2.6. Mortgagee's Right of Possession in Case of Default.

In any case in which under the provisions of this Mortgage, Mortgagee has a right to institute foreclosure proceedings, whether before or after the Liabilities secured hereby are declared to be immediately due, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, forthwith, upon demand of Mortgagee, Mortgagor shall surrender to Mortgagee and Mortgagee shall be entitled to take actual possession of the Premises or any part thereof personally, or by its agent or attorneys, as for condition broken. In such event Mortgagee in its discretion may, in accordance with law, enter upon and take and maintain possession of all or any part of the Premises, together with all documents, books, records, papers and accounts of Mortgagor or then owner of the Premises relating thereto, and may exclude Mortgagor, its agents or servants, wholly therefrom and may as attorney in fact or agent of Mortgagor, or in its own name as Mortgagee and under the powers herein granted, hold, operate, manage and control the Premises and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues and profits of the Premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, and with full power to: (a) cancel or terminate any Lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same; (b) elect to disaffirm any Lease or sublease which is then subordinate to the lien thereof; (c) extend or modify any Leases and to make new Leases, which extensions, modifications and new Leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of Liabilities and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such Leases, and the operations or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from a foreclosure of this Mortgage, discharge of the Liabilities, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; (d) make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Premises as to it may seem judicious; (e) insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof; and (f) receive all of such Rents and proceeds, hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without prior notice to Mortgagor.

2.7. Application of Income Received by Mortgagee. Mortgagee, in the exercise of the rights and powers conferred herein, shall have full power to use and apply the Rents and proceeds of the Premises to the payment of or on account of the following, in such order as Mortgagee may determine:

(a) to the payment of the operating expenses of the Premises, including the cost to manage and lease the Premises (which shall include appropriate compensation to Mortgagee and its agent or agents, if management be delegated to an agent or agents), establishing claims for damages, if any, and premiums on insurance hereinabove authorized;

(b) to the payment of taxes and special assessments now due or which may hereafter become due on the Premises;

(c) to the payment of all repairs, replacements, alterations, additions, betterments, and improvements of the Premises and of placing the Premises in such condition as will, in the judgment of Mortgagee, make it readily marketable and rentable;

(d) to the payment of any of the Liabilities or any deficiency which may result from any foreclosure sale.

2.8. Performance of Third Party Agreements. Subject to the rights of the Senior Mortgagee, the Mortgagee may, in its sole discretion at any time after the occurrence of a Default (or prior thereto if so provided elsewhere in this Mortgage), notify any person obligated to the Mortgagor under or with respect to any Third Party Agreements of the existence of a Default, require that performance be made directly to the Mortgagee at the Mortgagor's expense, advance such sums as are necessary or appropriate to satisfy the Mortgagor's obligations thereunder and exercise, on behalf of the Mortgagor, any and all rights of the Mortgagor under the Third Party Agreements as the Mortgagee, in its sole discretion, deems necessary or appropriate; and the Mortgagor agrees to cooperate with the Mortgagee in all ways reasonably requested by the Mortgagee (including the giving of any notices requested by, or joining in any notices given by, the Mortgagee) to accomplish the foregoing.

2.9. Rights Cumulative. No right, power or remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other right, power or remedy, and each right, power and remedy herein conferred upon the Mortgagee is cumulative and in addition to every other right, power or remedy, express or implied, given now or hereafter existing, at law or in equity, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Mortgagee, and the exercise or the beginning of the exercise of one right, power

or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy and no delay or omission of the Mortgagee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

2.10. Forbearance. Notwithstanding any other provision of this Mortgage, until the earlier of (i) the date on which the Senior Mortgagee shall institute foreclosure proceedings pursuant to the Senior Mortgage, or (ii) the date of satisfaction and release of the Senior Mortgage, the Mortgagee shall not in any way, manner or respect seek to foreclose or otherwise enforce this Mortgage against the Premises.

III. GENERAL

3.1. Release upon Payment and Discharge of Mortgagor's Obligations. Mortgagee shall release this Mortgage and the lien thereof by proper documentation upon payment and discharge of the Liabilities and upon payment of a reasonable fee to Mortgagee for the execution of such release.

3.2. Giving of Notice. All notices, demands, requests, consents, approvals and other communications required or permitted to be given hereunder, or which are to be given with respect to this Mortgage, shall be in writing sent by registered or certified mail, postage prepaid, return receipt requested, addressed to the party to be so notified as follows:

If to the Mortgagee: EFS Service Corporation
100 Addison Street
Elmhurst, Illinois 60126
Attn: Mr. Randall MacDonald

With copies to: Katten Muchin & Zavis
525 West Monroe Street
Suite 1600
Chicago, Illinois 60606-3693
Attn: David M. Lesser, Esq.
(File No. 26789-00004-4)

If to the Mortgagor: Chinese American Development
Corporation
209 West 23rd Street
Chicago, Illinois 60616
Attn: Ping Tom or
John Tan

91106292

With copies to:

Steven N. Klein
Schwartz & Freeman
Suite 3400
401 N. Michigan Avenue
Chicago, Illinois 60611

Link Programs, Inc.
205 W. Wacker Drive
Suite 1800
Chicago, Illinois 60606
Attn: John Heimbaugh

Any notice shall be deemed delivered three (3) business days after the mailing thereof. Either party may at any time change the addresses for notices to such party by mailing a notice as aforesaid. Such change shall be effective five (5) business days after the mailing of the notice changing the address.

3.3 Waiver of Notice. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the indebtedness hereby secured.

3.4. Waiver of Statutory Rights. Mortgagor shall not apply for or avail itself of any appraisal, valuation, stay, extension, redemption, reinstatement or exemption rights or laws, or any so-called "Moratorium Laws," whether legal, statutory or equitable, now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, and the rights and remedies provided to the Mortgagee in the Loan Agreement, but hereby irrevocably, unconditionally and forever waives the benefit of such rights and 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 Collateral marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Collateral sold as an entirety. Mortgagor does hereby expressly waive any and all legal statutory and equitable rights of redemption from any order, judgment or decree of foreclosure of this Mortgage on behalf of Mortgagor and each and every person acquiring any interest in or title to the Collateral subsequent to the date of this Mortgage. Mortgagor does hereby further expressly waive, to the extent now or hereafter permitted by law, all rights of reinstatement of this Mortgage pursuant to Section 15-1602 of the Illinois Mortgage Foreclosure Law.

3.5. Compliance with Illinois Mortgagee Foreclosure Law. In the event that any provision of this Mortgage shall be inconsistent with any provision of the Illinois Mortgagee Foreclosure Law (Chapter 110, Sections 15-1101 et seq., Illinois Revised Statutes) (herein called the "Act"), the provisions of the

Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act. If any provision of this Mortgage shall grant to Mortgagee any rights or remedies upon any Default by the Mortgagor which are more limited than the rights that would otherwise be vested in Mortgagee under the Act in the absence of said provision, Mortgagee shall be vested with the rights granted in the Act to the full extent permitted by law. Without limiting the generality of the foregoing, all expenses incurred by Mortgagee to the extent reimbursable under Sections 15-1510 or 15-1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether enumerated in this Mortgage, shall be added to the indebtedness secured by this Mortgage or by the judgment of foreclosure.

3.6. Security Agreement; Fixture Filing. In the event of a Default under this Mortgage, the Mortgagee, pursuant to the appropriate provisions of the UCC, shall have the option of proceeding as to both real property and personal property in accordance with its rights and remedies with respect to the real property, in which event the default provisions of the UCC shall not apply. The parties agree that, in the event the Mortgagee shall elect to proceed with respect to the personal property Collateral securing the Liabilities separately from the real property, ten (10) days notice of the sale of the personal property 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. The Mortgagor agrees that, without the written consent of the Mortgagee, the Mortgagor will not remove or permit to be removed from the Premises any of the Goods or other personal property or fixtures securing the Liabilities except that so long as no Default has occurred and is continuing, Mortgagor shall be permitted to sell or otherwise dispose of such property when obsolete, worn out, inadequate, unserviceable or unnecessary for use in the operation of the Premises, upon replacing the same or substituting for the same other property at least equal in value to the initial value to that disposed of and in such a manner so that said other property shall be subject to the security interest created hereby and so that the security interest of the Mortgagee shall always be perfected and next in priority, after the security interests created under the Senior Mortgage, it being expressly understood and agreed that all replacements, substitutions and additions to the property securing the Liabilities shall be and become immediately subject to the security interest of this Mortgage and covered hereby. The Mortgagor shall, from time to time, on request of the Mortgagee, deliver to the Mortgagee in reasonable detail an inventory of the Goods and other personal property securing the Liabilities. The Mortgagor covenants and represents that the Goods and all other personal property securing

the Liabilities now are, and that all replacements thereof, substitutions therefor or additions thereto, unless the Mortgagee otherwise consents, will be free and clear of liens, encumbrances or security interest of others. For the purposes of this Section 3.6, the names and addresses of the debtors and secured party are as set forth in the preamble to this Mortgage.

3.7. Filing and Recording Fees. Mortgagor will pay all filing, registration or recording fees, and all expenses incident to the execution and acknowledgment of this Mortgage and all Federal, state, county, and municipal taxes, and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Mortgage and any of the Related Documents.

3.8. No Liability on Mortgagee. Notwithstanding anything contained herein, the Mortgagee shall not be obligated to perform or discharge, and does not hereby undertake to perform or discharge, any obligation, duty or liability of the Mortgagor, whether hereunder, under any of the Third Party Agreements or otherwise, and the Mortgagor shall and does hereby agree to indemnify against and hold the Mortgagee harmless of and from: any and all liabilities, losses or damages which the Mortgagee may incur or pay under or with respect to any of the Collateral or under or by reason of its exercise of rights hereunder; and any and all claims and demands whatsoever which may be asserted against the Mortgagee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in any of the Collateral or in any of the contracts, documents or instruments evidencing or creating any of the Collateral. The Mortgagee shall not have responsibility for the control, care, management or repair of the Premises or be responsible or liable for any negligence in the management, operation, upkeep, repair or control of the Premises resulting in loss, injury or death to any tenant, licensee, employee, stranger or other person. No liability shall be enforced or asserted against the Mortgagee in its exercise of the powers granted to it under this Mortgage, and the Mortgagor expressly waives and releases any such liability. Should the Mortgagee incur any such liability, loss or damage under any of the Third Party Agreements or under or by reason hereof or in the defense of any claims or demands, the Mortgagor agrees to reimburse the Mortgagee immediately upon demand for the full amount thereof, including costs, expenses and attorneys' fees.

3.9. Successors. This Mortgage, and all provisions hereof, shall extend to and be binding upon Mortgagor and its successors, grantees and assigns, any subsequent owner or owners of the Premises and all persons claiming under or through Mortgagor, and the word "Mortgagor" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have

executed the Notes or this Mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of the Mortgagee named herein, and the holder or holders, from time to time, of the Notes secured hereby.

3.10. Severability. In the event one or more of the provisions contained in this Mortgage, the Loan Agreement or any other Related Documents 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, and this Mortgage shall be construed as if such invalid, illegal or enforceable provision had never been contained herein or therein. This Mortgage and the Credit Facilities which it secures are to be construed and governed by the laws of the State of Illinois.

3.11. No Offset. No offset or claim that Mortgagor now has or may have in the future against Mortgagee shall relieve Mortgagor from paying any amounts secured hereby or from performing any other obligations contained herein or secured hereby.

3.12. No Reliance by Others on the Premises. Mortgagor shall not by act or omission permit any building or other improvement on the Premises not subject to the lien of this Mortgage to rely on the Premises or any part thereof or any interest therein to fulfill any municipal or governmental requirement, and Mortgagor hereby assigns to Mortgagee any and all rights to give consent for all or any portion of the Premises or any interest therein to be used. Similarly, no building or other improvement on the Premises shall rely on any premises not subject to the lien of this Mortgage or any interest therein to fulfill any governmental or municipal requirement. Mortgagor shall not by act or omission impair the integrity of the Premises as zoned. Any act or omission by Mortgagor which would result in a violation of any of the provisions of this Section shall be void.

3.13. No Merger. It being the desire and intention of the parties hereto that this Mortgage and the lien hereof do not merge in fee simple title to the Premises, it is hereby understood and agreed that should the Mortgagee acquire an additional or other interests in or to the Premises or the ownership thereof, then, unless a contrary intent is manifested by the Mortgagee as evidenced by an express statement to that effect in an appropriate document duly recorded, this Mortgage and the lien hereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

3.14. Mortgagee Not a Joint Venturer or Partner. The Mortgagor and the Mortgagee acknowledge and agree that in no event shall the Mortgagee be deemed to be a partner or joint venturer

with the Mortgagor, or with any of them. Without limitation of the foregoing, the Mortgagee shall not be deemed to be such a partner or joint venturer on account of its becoming a mortgagee in possession or exercising any rights pursuant to this Mortgage or pursuant to any other instrument or document evidencing or securing any of the Liabilities secured hereby, or otherwise.

3.15. Loan Agreement and other Related Documents; Mortgage Loan.

(a) The Mortgagor covenants that it will timely and fully perform and satisfy all the terms, covenants and conditions of the Loan Agreement, this Mortgage and all of the other Related Documents

(b) The Mortgagor covenants and agrees that, in accordance with the provisions of the Loan Agreement, all of the funds advanced and to be advanced thereunder have been and will be used exclusively for the purposes set forth therein, and that this loan is a loan secured by a mortgage on real estate within the purview of Chapter 27, Paragraph 6404, Section 4(1)(1) of the Illinois Revised Statutes. If there shall be any inconsistency between provisions of this Mortgage and the Loan Agreement, the terms and provisions of the loan Agreement shall prevail.

3.16. No Property Manager's Lien. Any property management agreement for or relating to all or any part of the Premises, whether now in effect or entered into hereafter by the Mortgagor or any agent of any of them, with a property manager shall contain a "no lien" provision whereby the property manager forever and unconditionally waives and releases any and all mechanics' lien rights and claims that it or anyone claiming through or under it may have at any time pursuant to any statute or law (including, without limitation, Ill. Rev. Stat., 1985, ch. 82, § 1). Such property management agreement or a short form thereof including such waiver shall, at the Mortgagee's request, be recorded with the Office of the Recorder of Deeds for the county in which the Premises are located. In addition, the Mortgagor shall cause the property manager to enter into a subordination agreement with the Mortgagee, in recordable form, whereby the property manager subordinates its present and future lien rights and those of any party claiming by, through or under it, to the lien of this Mortgage. The Mortgagor's failure to cause any of the foregoing to occur shall constitute a default under this Mortgage.

3.17. Illinois Responsible Property Transfer Act. The Mortgagor represents and warrants that the disclosure requirements of the Illinois Responsible Property Transfer Act ("RPTA"), Ill. Rev. Stat. ch. 30, § 901 et seq. do apply to the transaction contemplated by the Loan Agreement and this Mortgage. The Mortgagor agrees to comply with RPTA and to timely execute and deliver to the Mortgagee such disclosure documents as may be

required by RPTA. The Mortgagor agrees to place of record simultaneously with the recording of this Mortgage, any disclosure statement furnished to Mortgagee pursuant to this Section 3.17 and also to file simultaneously therewith a true and correct copy of said disclosure statement with the Illinois Environmental Protection Agency.

3.18. Miscellaneous.

(a) Mortgagor on written request of the Mortgagee will furnish a signed statement of the amount of the Liabilities and whether or not any Default then exists hereunder and specifying the nature of such Default or Defaults.

(b) Mortgagee shall have the right at its option to foreclose this Mortgage subject to the rights of any tenant or tenants under the Leases and the failure to make any such tenant or tenants a party defendant to any such civil action or to foreclose their rights will not be asserted by the Mortgagor as a defense in any civil action instituted to collect the Liabilities, or any part thereof or any deficiency remaining unpaid after foreclosure and sale of the Collateral, any statute or rule of law at any time existing to the contrary notwithstanding.

(c) 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 entitlement to insurance proceeds or any award in condemnation) to any and all of the Leases upon the execution by Mortgagee a recording or registering thereof, at any time hereafter, in the office wherein this Mortgage was recorded or registered, of a unilateral declaration to that effect.

(d) In the event the Mortgagor, or any of them, acquires the fee simple estate in the property covered by the Ground Lease, this Mortgage shall, without further action of the parties hereto, be spread to cover such fee simple estate from the date such fee simple estate is acquired by the Mortgagor, or any of them, until the date the Liabilities are paid in full and this Mortgage is released of record.

(e) For purposes of this Mortgage, the term "Default Rate", shall mean the interest rate as provided in the Loan Agreement.

(f) In the event of any conflict or inconsistency between the terms and provisions of this Mortgage and of the Loan Agreement, the terms and provisions of the Loan Agreement shall govern and control.

3.19 Subordination. Notwithstanding anything contained in this Mortgage to the contrary, Mortgagee hereby agrees that the lien granted by this Mortgage and the record priority thereof

(b) Mortgagee shall have the right at its option to foreclose this Mortgage subject to the rights of any tenant or tenants under the Leases and the failure to make any such tenant or tenants a party defendant to any such civil action or to foreclose their rights will not be asserted by the Mortgagor as a defense in any civil action instituted to collect the Liabilities, or any part thereof or any deficiency remaining unpaid after foreclosure and sale of the Collateral, any statute or rule of law at any time existing to the contrary notwithstanding.

(c) 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 entitlement to insurance proceeds or any award in condemnation) to any and all of the Leases upon the execution by Mortgagee a recording or registering thereof, at any time hereafter, in the office wherein this Mortgage was recorded or registered, of a unilateral declaration to that effect.

(d) In the event the Mortgagor, or any of them, acquires the fee simple estate in the property covered by the Ground Lease, this Mortgage shall, without further action of the parties hereto, be spread to cover such fee simple estate from the date such fee simple estate is acquired by the Mortgagor, or any of them, until the date the Liabilities are paid in full and this Mortgage is released of record.

(e) For purposes of this Mortgage, the term "Default Rate", shall mean the interest rate as provided in the Loan Agreement.

(f) In the event of any conflict or inconsistency between the terms and provisions of this Mortgage and of the Loan Agreement, the terms and provisions of the Loan Agreement shall govern and control.

3.19 Subordination. Notwithstanding anything contained in this Mortgage to the contrary, Mortgagee hereby agrees that the lien granted by this Mortgage and the record priority thereof shall be, at all times, subordinate and inferior to the Senior Mortgage and any security agreement, lease assignment and any other collateral assignment or agreement (each, a "Senior Agreement") given or granted by Mortgagor to the City to secure the Senior Notes. The subordination provided for in the immediately preceding sentence shall extend to any rents, issues or profits derived from the Collateral, to the extent encumbered by any Senior Agreement, or proceeds payable to or on account of any disposition, casualty or condemnation thereof, and which shall, from time to time, secure the Senior Notes. In addition, the lien granted by this Mortgage, and the record priority

thereof, is agreed to be, at all times, subordinate and inferior to (i) advances made or expenses incurred by the holder of any Senior Agreement, and in each case interest thereof (whether such advances are made prior to or after this Mortgage is recorded) pursuant to the Senior/Loan Agreement or other instrument evidencing the Senior Loan, and (ii) any replacements, substitutions, modifications, extensions, supplements and consolidations of (but expressly excluding increases of the principal amount secured by) any Senior Agreement (any and all Senior Agreements, and the instruments and agreements referred to in the immediately preceding clauses (i) and (ii) are herein collectively called, the "Senior Security Instruments"). It is further understood and agreed that the rights of Mortgagee under this Mortgage shall be subject and subordinate in all respects to the rights of the holder or holders of the Senior Security Instruments. The subordination provided herein shall be automatic and self-operative, but Mortgagee agrees, for the benefit of the holder or holders of the Senior Security Instruments, and upon the giving to Mortgagee of a reasonable written request therefor, to provide the holder or holders of the Senior Security Instruments with such further assurances as may be reasonably necessary to evidence the aforesaid subordination. At any time after the Senior Mortgage is satisfied, Beneficiary shall grant to Mortgagee a collateral assignment of beneficial interest in CADC Trust in form and substance acceptable to Mortgagee.

3.20 Land Trustee: Exculpation and Authority.

(a) This Mortgage is executed by the CADC Trust not individually or personally, but solely as trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such trustee, and it is expressly understood and agreed that nothing herein contained shall be construed as creating any liability on the CADC Trust personally to pay the Liabilities or any interest that may accrue thereon or any of the indebtedness arising or accruing under or pursuant hereto or under the Loan Agreement or to perform any covenant, undertaking, representation or agreement, either express or implied, contained herein or in the Related Documents, all such personal liability of the CADC Trust, if any, being expressly waived by the Mortgagee and by each and every person now or hereafter claiming any right or security under this Mortgage; provided, however, that nothing herein contained shall in any way limit the liability of CADC, or of any guarantor or other obligor (not including the CADC Trust) hereunder or under the Loan Agreement, the Credit Facilities or the other Related Documents.

(b) The CADC Trust hereby warrants that it possesses full power and authority to execute and deliver this Mortgage.

UNOFFICIAL COPY

IN WITNESS WHEREOF, the undersigned have executed and delivered this Mortgage in Chicago, Illinois, on the day first above written.

Mortgagor:

American National Bank and Trust Company of Chicago, not personally but as Trustee under Trust Agreements dated July 1, 1987, and known as Trust No. 67060

ATTEST:

By: [Signature]
Asst. Secretary

By: [Signature]
Title: _____

Chinese American Development Corporation, an Illinois corporation

By: John S. Fan
Title: Chairman of the Board

Property of Cook County Clerk's Office

UNOFFICIAL COPY

9 1 1 9 2

Land Trustee Acknowledgment

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, L. M. SOVIENSKI, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT L. Michael Whelan personally known to me to be the Vice President of American National Bank and Trust Company of Chicago, a national banking association, as Trustee as aforesaid and P. JOHANSEN personally known to me to be the ASSISTANT Secretary of said association, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Vice President and ASSISTANT Secretary of said association, they signed and delivered the said instrument pursuant to proper authority duly given by the Board of Directors of said association as Trustee as aforesaid, as their free and voluntary act and deed as the free and voluntary act and deed of said association, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of MAR 01 1991 1990.

L. M. Sovieniski
Notary Public

My Commission expires:



91106292

CADC Acknowledgment

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

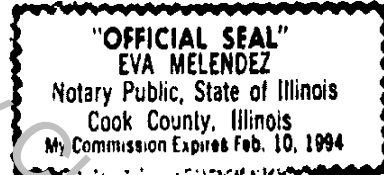
I, Eva Melendez a notary public in and for said County, in the state aforesaid, DO HEREBY CERTIFY THAT Sohn S. Zan, personally known to me to be the Chairman of Chinese American Development Corporation, a corporation organized and existing under the laws of the State of Illinois, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such he signed and delivered the said instrument pursuant to proper authority, as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 28th day of February 1990.

Eva Melendez
Notary Public

My Commission expires:

2/10/94



91106292

EXHIBIT A

PARCEL 1 (CADC MIDDLE PARCEL 1):

A TRACT OF LAND, COMPRISED OF LOTS OR PARTS THEREOF IN BLOCKS 25, 26, 40, 41 AND 43 IN CANAL TRUSTEES' NEW SUBDIVISION OF BLOCKS IN THE EAST FRACTION OF THE SOUTH EAST FRACTIONAL 1/4 OF SECTION 21, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND OF LOTS OR PARTS THEREOF IN THE RESUBDIVISION OF BLOCKS 24, 40, 41 AND 43 OR PARTS THEREOF IN CANAL TRUSTEES' NEW SUBDIVISION AFORESAID, TOGETHER WITH ALL OR PART OF THE VACATED ALLEYS WITHIN SAID BLOCKS, AND OF THE VACATED STREETS LYING BETWEEN AND ADJOINING SAID BLOCKS, WHICH TRACT OF LAND IS BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING ON THE EAST LINE OF SAID BLOCK 40, BEING ALSO THE WEST LINE OF SOUTH WENTWORTH AVENUE, AT THE INTERSECTION OF SAID LINE WITH THE NORTHWESTERLY LINE OF SOUTH ARCHER AVENUE, AS WIDENED, BY INSTRUMENT RECORDED APRIL 13, 1926 AS DOCUMENT NUMBER 9238234, AND RUNNING THENCE SOUTH 58 DEGREES, 05 MINUTES, 65 SECONDS WEST ALONG SAID NORTHWESTERLY LINE OF SOUTH ARCHER AVENUE, AS WIDENED, A DISTANCE OF 968.69 FEET, TO AN INTERSECTION WITH THE NORTH LINE OF WEST CERMAK ROAD, AS WIDENED, BY THE AFORESAID INSTRUMENT RECORDED APRIL 13, 1926 AS DOCUMENT NUMBER 9238234; THENCE SOUTH 89 DEGREES, 56 MINUTES, 36 SECONDS WEST ALONG SAID NORTH LINE OF WEST CERMAK ROAD, AS WIDENED, A DISTANCE OF 54.33 FEET, TO THE POINT OF BEGINNING FOR THE TRACT OF LAND HEREINAFTER DESCRIBED; THENCE CONTINUING SOUTH 89 DEGREES, 56 MINUTES, 36 SECONDS WEST ALONG SAID NORTH LINE OF WEST CERMAK ROAD, AS WIDENED, A DISTANCE OF 452.25 FEET TO THE WEST LINE OF BLOCK 43 AFORESAID, THENCE 00 DEGREES, 02 MINUTES, 44 SECONDS EAST ALONG THE WEST LINE AND NORTHWARD EXTENSION THEREOF, OF SAID BLOCK 43 AND ALONG THE WEST LINE OF SAID BLOCK 41, A DISTANCE OF 390.13 FEET TO A POINT WHICH IS 80.00 FEET SOUTH OF A STONE MONUMENT MARKING THE MOST SOUTHERLY CORNER OF THE PARCEL OF LAND IN SAID BLOCK 41 CONVEYED TO THE CHICAGO, MADISON AND NORTHERN RAILROAD COMPANY BY DEED RECORDED IN SAID RECORDER'S OFFICE ON JULY 3, 1900 AS DOCUMENT NUMBER 2981686; THENCE NORTH 33 DEGREES, 42 MINUTES, 56 SECONDS EAST, A DISTANCE OF 312.60 FEET TO AN INTERSECTION WITH THE SOUTHEASTERLY LINE OF SAID PARCEL OF LAND, AT A POINT WHICH IS 250.00 FEET (MEASURED ALONG SAID SOUTHEASTERLY LINE) NORTHEASTERLY FROM THE SOUTHERLY CORNER OF SAID PARCEL OF LAND; THENCE NORTH 43 DEGREES, 57 MINUTES, 21 SECONDS EAST ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL OF LAND, A DISTANCE OF 181.73 FEET TO AN INTERSECTION WITH THE WEST LINE OF THE VACATED NORTH AND SOUTH ALLEY IN SAID BLOCK 41; THENCE NORTH 89 DEGREES, 48 MINUTES, 38 SECONDS EAST, A DISTANCE OF 8.00 FEET TO AN INTERSECTION WITH THE CENTER LINE OF SAID VACATED ALLEY;

~~NORTH 89 DEGREES, 48 MINUTES, 38 SECONDS EAST, A DISTANCE OF 8.00 FEET TO AN INTERSECTION WITH THE CENTER LINE OF SAID VACATED ALLEY;~~
*89 DEGREES, 48 MINUTES, 38 SECONDS EAST

(PARCEL 1 CONTINUED)

THENCE NORTH 00 DEGREES, 11 MINUTES, 22 SECONDS WEST ALONG THE CENTER LINE, AND ALONG A NORTHWARD EXTENSION THEREOF, OF SAID VACATED ALLEY, A DISTANCE OF 44.69 FEET TO AN INTERSECTION WITH THE NORTHEASTWARD EXTENSION OF THE NORTHWESTERLY LINE OF SAID BLOCK 41; THENCE NORTH 44 DEGREES, 00 MINUTES, 23 SECONDS EAST ALONG SAID NORTHEASTWARD EXTENSION OF THE NORTHWESTERLY LINE OF SAID BLOCK 41, A DISTANCE OF 31.23 FEET TO AN INTERSECTION WITH THE CENTER LINE OF VACATED WEST CULLERTON STREET (WEST 20TH STREET); THENCE NORTH 89 DEGREES, 54 MINUTES, 16 SECONDS EAST ALONG SAID CENTER LINE OF VACATED WEST CULLERTON STREET, A DISTANCE OF 67.43 FEET; THENCE NORTH 00 DEGREES, 05 MINUTES, 44 SECONDS WEST, A DISTANCE OF 33.00 FEET TO AN INTERSECTION WITH THE NORTH LINE OF SAID VACATED WEST CULLERTON STREET; THENCE NORTH 44 DEGREES, 11 MINUTES, 15 SECONDS EAST ALONG THE SOUTHEASTERLY LINE (AS SAID SOUTHEASTERLY LINE IS MONUMENTED) OF THE PARCEL OF LAND IN SAID BLOCK 24 CONVEYED TO THE CHICAGO, MADISON AND NORTHERN RAILROAD COMPANY BY SAID DEED RECORDED AS DOCUMENT NUMBER 2981686, A DISTANCE OF 251.76 FEET TO A STONE MONUMENT ON THE SOUTHWESTERLY LINE OF THE VACATED ALLEY LEADING SOUTHEASTERLY FROM CROFT STREET; THENCE NORTH 44 DEGREES, 00 MINUTES, 23 SECONDS EAST, A DISTANCE OF 8.00 FEET TO AN INTERSECTION WITH THE CENTER LINE OF SAID VACATED ALLEY; THENCE NORTH 45 DEGREES, 59 MINUTES, 37 SECONDS WEST, ALONG THE CENTER LINE OF SAID VACATED ALLEY, A DISTANCE OF 0.25 OF A FOOT; THENCE NORTH 44 DEGREES, 00 MINUTES, 23 SECONDS EAST, A DISTANCE OF 8.00 FEET TO A STONE MONUMENT MARKING THE MOST SOUTHERLY CORNER OF THE PARCEL OF LAND IN SAID BLOCK 24 CONVEYED TO SAID CHICAGO, MADISON AND NORTHERN RAILROAD COMPANY BY SAID DEED RECORDED AS DOCUMENT NUMBER 2981686; THENCE NORTH 44 DEGREES, 00 MINUTES, 23 SECONDS EAST ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL OF LAND (SAID SOUTHEASTERLY LINE BEING PARALLEL WITH THE NORTHWESTERLY LINE OF SAID BLOCK 24) A DISTANCE OF 50.00 FEET; THENCE NORTHEASTWARDLY ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL OF LAND, SAID SOUTHEASTERLY LINE BEING HERE THE ARC OF A CIRCLE, CONVEX TO THE SOUTH EAST AND HAVING A RADIUS OF 765.55 FEET, A DISTANCE OF 128.02 FEET (THE CHORD OF SAID ARC HAVING A BEARING OF NORTH 39 DEGREES, 12 MINUTES, 56 SECONDS EAST, AND A LENGTH OF 127.87 FEET) TO AN INTERSECTION WITH THE EAST LINE OF SAID BLOCK 24; THENCE SOUTH 89 DEGREES, 52 MINUTES, 59 SECONDS EAST, A DISTANCE OF 33.00 FEET TO AN INTERSECTION WITH THE CENTER LINE OF VACATED SOUTH PURPLE STREET; THENCE NORTH 00 DEGREES, 07 MINUTES, 01 SECONDS EAST ALONG SAID CENTER LINE OF VACATED SOUTH PURPLE STREET, AND ALONG SAID CENTER LINE EXTENDED, A DISTANCE OF 101.79 FEET TO AN INTERSECTION WITH A SOUTHWARD EXTENSION OF THE WESTERLY LINE OF SAID BLOCK 21; THENCE NORTH 19 DEGREES, 11 MINUTES, 22 SECONDS EAST ALONG SAID SOUTHWARD EXTENSION OF THE WESTERLY LINE OF SAID BLOCK 21, A DISTANCE OF 3.41 FEET TO AN INTERSECTION WITH THE WESTWARD EXTENSION OF THE SOUTH LINE OF BLOCK 21,

(PARCEL 1 CONTINUED)

IN THE AFOREMENTIONED CANAL TRUSTEES' NEW SUBDIVISION OF BLOCKS IN THE EAST FRACTION OF THE SOUTH EAST FRACTIONAL 1/4 OF SAID SECTION 21; THENCE NORTH 89 DEGREES, 54 MINUTES, 02 SECONDS EAST ALONG SAID WESTWARD EXTENSION AND ALONG SAID LINE OF BLOCK 21, AND ALONG A WESTWARD EXTENSION OF THE SOUTH LINE OF BLOCK 20 AND ALONG SAID SOUTH LINE OF BLOCK 20, A DISTANCE OF 595.43 FEET TO THE SOUTH EAST CORNER OF SAID BLOCK 20; THENCE SOUTH 00 DEGREES, 00 MINUTES, 58 SECONDS EAST ALONG THE SOUTHWARD EXTENSION OF THE EAST LINE OF SAID BLOCK 20, AND ALONG THE EAST LINE OF SAID BLOCK 26, BEING THE WEST LINE OF SOUTH WENTWORTH AVENUE, A DISTANCE OF 431.67 FEET TO THE SOUTH EAST CORNER OF SAID BLOCK 26; THENCE SOUTH 89 DEGREES, 54 MINUTES, 16 SECONDS WEST ALONG THE SOUTH LINE OF SAID BLOCK 26, BEING ALSO THE NORTH LINE OF WEST CULLERTON STREET, A DISTANCE OF 140.74 FEET TO AN INTERSECTION WITH THE WEST LINE OF THE EAST 8.00 FEET OF THE WEST 1/2 OF SAID BLOCK 26; THENCE NORTH 00 DEGREES, 05 MINUTES, 29 SECONDS WEST ALONG THE LAST DESCRIBED LINE A DISTANCE OF 13.00 FEET; THENCE SOUTH 89 DEGREES, 54 MINUTES, 16 SECONDS WEST ALONG A LINE WHICH IS 13.00 FEET NORTH FROM AND PARALLEL WITH SAID SOUTH LINE OF BLOCK 26, A DISTANCE OF 80.00 FEET; THENCE SOUTHWESTWARDLY ALONG THE ARC OF A CIRCLE, CONVEX TO THE NORTH WEST, TANGENT TO THE LAST DESCRIBED LINE AND HAVING A RADIUS OF 50.00 FEET, A DISTANCE OF 78.54 FEET; THENCE SOUTH 00 DEGREES, 05 MINUTES, 44 SECONDS EAST ALONG A LINE WHICH IS TANGENT TO THE LAST DESCRIBED ARC OF A CIRCLE, A DISTANCE OF 17.30 FEET TO AN INTERSECTION WITH A LINE WHICH IS PARALLEL WITH AND 12.70 FEET NORTH FROM THE NORTH LINE OF BLOCK 40 AFORESAID, AT A POINT 270.00 FEET, MEASURED PERPENDICULARLY, WEST FROM THE EAST LINE OF SAID BLOCK 40; THENCE NORTH 89 DEGREES, 54 MINUTES, 16 SECONDS WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 111.99 FEET TO AN INTERSECTION WITH A LINE WHICH IS 470.00 FEET NORTHWESTERLY FROM AND PARALLEL WITH THE AFOREMENTIONED NORTHWESTERLY LINE OF SOUTH ARCHER AVENUE, AS WIDENED; THENCE SOUTH 58 DEGREES, 05 MINUTES, 45 SECONDS WEST ALONG THE LAST DESCRIBED PARALLEL LINE, A DISTANCE OF 294.16 FEET; THENCE SOUTH 31 DEGREES, 54 MINUTES, 15 SECONDS EAST PERPENDICULAR TO THE LAST DESCRIBED LINE, A DISTANCE OF 195.00 FEET; THENCE SOUTH 58 DEGREES, 05 MINUTES, 45 SECONDS WEST ALONG A LINE WHICH IS 275.00 FEET NORTHWESTERLY FROM AND PARALLEL WITH THE AFORESAID NORTHWESTERLY LINE OF SOUTH ARCHER AVENUE, A DISTANCE OF 542.42 FEET; THENCE SOUTHWARDLY ALONG THE ARC OF A CIRCLE, CONVEX TO THE WEST, TANGENT TO LAST DESCRIBED LINE AND HAVING A RADIUS OF 20.00 FEET, A DISTANCE OF 31.42 FEET TO A POINT OF TANGENCY WITH A LINE WHICH IS PERPENDICULAR TO THE SOUTHWESTERLY EXTENSION OF SAID NORTHWESTERLY LINE OF SOUTH ARCHER AVENUE, AS WIDENED, AND THENCE SOUTH 31 DEGREES, 54 MINUTES, 15 SECONDS EAST ALONG SAID PERPENDICULAR LINE, A DISTANCE OF 226.33 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS; EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PROPERTY:

(PARCEL 1 CONTINUED)

Lots Eight (8), Nine (9), Twelve (12) and Thirteen (13) in Block Twenty-Six (26) of the Canal Trustees' Subdivision of the South East Quarter (SE 1/4) of Fractional Section Twenty-One (21), Township Thirty-Nine (39) North of Range Fourteen (14), East of the Third Principal Meridian, in Cook County, Illinois; and

A strip of land eight (8) feet in width and Two Hundred (200) feet in length, being the East half (E 1/2) of that portion of the vacated alley lying West of and adjoining Lots Eight (8), Nine (9), Twelve (12) and Thirteen (13), in Block Twenty-Six (26) of the Canal Trustees' New Subdivision in Blocks in Canal Trustees' Subdivision of the East Fraction of the South East Quarter (SE 1/4) of Section Twenty-One (21), Township Thirty-Nine (39) North of Range Fourteen (14), East of the Third Principal Meridian (the North line of said demised premises being the North line of said Lot Eight (8) extended West, and the South line of said demised premise being the North line of West Twentieth Street in said City of Chicago), in Cook County, Illinois.

PARCEL 2 (CADC MIDDLE PARCEL 2):

A PARCEL OF LAND COMPRISED OF VARIOUS LOTS AND PARTS OF LOTS THEREOF, IN THE ASSESSOR'S DIVISION OF LOTS 1, 2, 3, 10 AND 11 IN BLOCK 40 IN CANAL TRUSTEES' NEW SUBDIVISION OF BLOCKS IN THE EAST FRACTION OF THE SOUTH EAST FRACTIONAL 1/4 OF SECTION 21, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALSO A PART OF VACATED WEST 20TH PLACE LYING BETWEEN AND ADJOINING SAID LOTS, WHICH PARCEL OF LAND IS BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTH LINE OF SAID BLOCK 40, SAID NORTH LINE BEING THE SOUTH LINE OF WEST CULLERTON STREET, AT A POINT OF 90.50 FEET WEST OF THE NORTH EAST CORNER OF SAID BLOCK 40, AND RUNNING THENCE SOUTH 89 DEGREES, 54 MINUTES, 16 SECONDS WEST ALONG SAID NORTH LINE OF BLOCK 40, A DISTANCE OF 120.15 FEET, THENCE SOUTH 00 DEGREES, 05 MINUTES, 44 SECONDS EAST ALONG A STRAIGHT LINE BEING THE EAST LINE OF SOUTH WELLS STREET AS ESTABLISHED IN "CHINATOWN SQUARE", A PROPOSED RESUBDIVISION IN PART OF SECTION 21 AFORESAID, A DISTANCE OF 181.69 FEET; THENCE NORTH 58 DEGREES, 05 MINUTES, 45 SECONDS EAST ALONG A STRAIGHT LINE, BEING THE NORTHEASTERLY EXTENSION OF THE SOUTHEASTERLY LINE OF SOUTH CHINA PLACE, AS ESTABLISHED IN SAID "CHINATOWN SQUARE" RESUBDIVISION, A DISTANCE OF 0.67 OF A FOOT; THENCE SOUTH 31 DEGREES, 54 MINUTES, 15 SECONDS EAST ALONG A LINE PERPENDICULAR TO SAID LAST DESCRIBED LINE, A DISTANCE OF 51.81 FEET; THENCE NORTH 58 DEGREES, 05 MINUTES, 45 SECONDS EAST, A DISTANCE OF 18.34 FEET; THENCE SOUTH 31 DEGREES, 54 MINUTES, 15 SECONDS EAST, A DISTANCE OF 8.19 FEET; THENCE NORTH 58 DEGREES, 05 MINUTES, 45 SECONDS EAST, A DISTANCE OF 4.66 FEET; THENCE SOUTH 31 DEGREES, 54 MINUTES, 15 SECONDS EAST, A DISTANCE OF 115.00 FEET; TO THE POINT WHICH IS 40.00 FEET NORTHWESTERLY OF THE AFORESAID NORTHWESTERLY LINE SOUTH ARCHER AVENUE, AS WIDENED; THENCE NORTH 58 DEGREES, 05 MINUTES, 45 SECONDS EAST ALONG A LINE PARALLEL WITH SAID NORTHWESTERLY LINE OF SOUTH ARCHER AVENUE, A DISTANCE OF 47.97 FEET; THENCE NORTH 00 DEGREES, 00 MINUTES, 58 SECONDS WEST ALONG A STRAIGHT LINE, A DISTANCE OF 107.30 FEET; THENCE NORTH 89 DEGREES, 54 MINUTES, 16 SECONDS EAST ALONG A STRAIGHT LINE, A DISTANCE OF 55.42 FEET TO THE EAST LINE OF BLOCK 40, AFORESAID; THENCE NORTH 00 DEGREES, 00 MINUTES, 58 SECONDS WEST ALONG SAID EAST LINE OF BLOCK 40, SAID EAST LINE BEING ALSO THE WEST LINE SOUTH WENTWORTH AVENUE, A DISTANCE OF 15.30 FEET TO A POINT WHICH IS 169.00 FEET SOUTH OF THE NORTH EAST CORNER OF BLOCK 40 AFORESAID; THENCE SOUTH 89 DEGREES, 54 MINUTES, 16 SECONDS WEST ALONG A LINE PARALLEL WITH SAID NORTH LINE OF BLOCK 40, A DISTANCE OF 47.00 FEET; THENCE NORTH 00 DEGREES, 00 MINUTES, 58 SECONDS WEST ALONG A

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(PARCEL 2 CONTINUED)

LINE PARALLEL WITH SAID WEST LINE OF SOUTH WENTWORTH AVENUE, A DISTANCE OF 24.00 FEET; THENCE SOUTH 89 DEGREES, 54 MINUTES, 16 SECONDS WEST ALONG A LINE PARALLEL WITH SAID NORTH LINE OF BLOCK 40, A DISTANCE OF 43.50 FEET; THENCE NORTH 00 DEGREES, 00 MINUTES, 58 SECONDS WEST ALONG A LINE PARALLEL WITH SAID WEST LINE OF SOUTH WENTWORTH AVENUE, A DISTANCE OF 145.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS

Property of Cook County Clerk's Office

91106292

EXHIBIT B

Ground Lease

All of Mortgagor's right, title and interest in, to and under that certain Lease Agreement (the "Ground Lease") dated February 26, 1991, by and between the Board of Education of the City of Chicago, as lessor, and American National Bank and Trust Company of Chicago, not personally but as Trustee under that certain Trust Agreement, dated July 1, 1987, and known as Trust No. 67060, as lessee. The Ground Lease demises the following described property:

Parcel I: Lots Eight (8), Nine (9), Twelve (12) and Thirteen (13) in Block Twenty-Six (26) of the Canal Trustees' Subdivision of the South East Quarter (SE 1/4) of Fractional Section Twenty-One (21), Township Thirty-Nine (39) North of Range Fourteen (14), East of the Third Principal Meridian, in Cook County, Illinois.

Parcel II: A strip of land eight (8) feet in width and Two Hundred (200) feet in length, being the East half (E 1/2) of that portion of the vacated alley lying West of and adjoining Lots Eight (8), Nine (9), Twelve (12) and Thirteen (13), in Block Twenty-Six (26) of the Canal Trustees' New Subdivision in Blocks in Canal Trustees' Subdivision of the East Fraction of the South East Quarter (SE 1/4) of Section Twenty-One (21), Township Thirty-Nine (39) North of Range Fourteen (14), East of the Third Principal Meridian (the North line of said demised premises being the North line of said Lot Eight (8) extended West, and the South line of said demised premise being the North line of West Twentieth Street in said City of Chicago), in Cook County, Illinois.

PROPERTY IDENTIFICATION NUMBERS:

91106292

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Property Location: 4292

South of 18th St., West of
Wentworth Ave., North West
of Archer Ave., North of
Carnegie Rel and East of
Gene St. in Chicago, Ill.

PRONS:

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