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MORTGAGE

THIS MORTGAGE ("Mortgage"), dated as of April 23, 1991, is from BANK OF RAVENSWOOD (the "Trustee" or the "Borrower"), an Illinois banking corporation, not personally but as Trustee under Trust Agreement No. 25-9128 dated March 15, 1988 (the "Trust"), to PIONEER BANK AND TRUST COMPANY (the "Lender"), an Illinois banking corporation, 4000 West North Avenue, Chicago, Illinois 60639:

Lender is the owner and holder of a note (the "Note") of even date herewith, at interest and payable as stated therein and which matures June 1, 1993, evidencing the indebtedness of the Borrower and others to the Lender under a loan (the "Loan") in the principal amount of THREE MILLION FIVE HUNDRED THIRTY EIGHT AND NO/100 (\$3,000,538.00) DOLLARS.

To secure the due and timely payment, performance and observance of the indebtedness, covenants and agreements due or in favor of Lender under this Mortgage, the Note and, as hereinafter defined in Paragraph 21 below, the "Other Liabilities" and the "Loan Documents", together with any amendments, modifications, extensions, renewals or replacements thereof, and based upon good and valuable consideration, the sufficiency and receipt of which the Borrower hereby acknowledges,

BORROWER DOES HEREBY MORTGAGE AND CONVEY to Lender the realty which is legally described in attached Exhibit A (the "real estate"), together with the following described property and interests, and all of the Borrower's right, title and interest therein now or hereafter acquired, all of which is collectively referred to hereinafter as the "Mortgaged Premises": (a) all buildings and improvements, and all materials for the construction or repair thereof, now or hereafter erected or located on the real estate; (b) all easements, rights-of-way and rights used in connection therewith or with a means of access thereto and all tenements, hereditaments and appurtenances thereto; (c) all rents, issues, proceeds and profits thereof, with full and complete authority and right in Lender in case of default of this Mortgage to demand, collect, receive and receipt for same; (d) all fixtures of any kind, now or hereafter located in or upon the real estate; and (e) all furniture, equipment and other personalty (excluding inventory goods) located on, in or upon the real estate, including, but not limited to, partitions, security devices, carpeting, rugs, lighting fixtures, heating and cooling equipment, sprinkler systems, appliances and machinery, used or useful in the operation of the real estate or any business conducted thereon, and all additions, accessions, substitutions, replacements and proceeds thereto or therefrom, all of which is collectively referred to hereinafter as "Personalty" and, notwithstanding such reference, each of which is hereby deemed to constitute a fixture. As to any part or portion of the Mortgaged Premises which does not form a part and parcel of the real estate, or does not constitute a "fixture" as such term is defined by the Illinois Uniform Commercial Code ("UCC"), this Mortgage is hereby deemed to also be a UCC "security agreement", with Lender as the "secured party" hereunder.

The real estate is commonly known as 500-514 Main Street, Evanston, Illinois.

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the aforesaid Personalty (with the right to retain any proceeds resulting therefrom) which, in the reasonable judgment of the Borrower, becomes inefficient, obsolete, wornout, unfit for use or no longer useful in the operation of the Mortgaged Premises or the business conducted thereon, provided that Borrower promptly replaces such Personalty and that title to such replacements is held by Borrower and free and clear of all liens and encumbrances.

5. Insurance.

A. The Borrower shall maintain or cause to be maintained, and shall timely pay all premiums (hereinafter, "insurance premiums") for, the following insurance coverages, with respect to the Mortgaged Premises, under, in and with such amounts, forms, terms, and companies as are reasonably required or approved by Lender from time to time:

(1) Casualty insurance against loss of or damage to the Mortgaged Premises by fire and such other risks as are customarily insured against in the area in which the Mortgaged Premises are located, and including but not limited to risks insured against under extended coverage policies with "all risks" and "difference in conditions" endorsements, in each case in amounts at all times sufficient to prevent the Lender from becoming a co-insurer under the terms of the applicable policies but, in any event, in amounts not less than the greater of (a) the principal balance remaining outstanding from time to time of the indebtedness secured hereby, or (b) one hundred percent (100%) of the full insurable value of the Mortgaged Premises, as determined from time to time; as used herein, the term "full insurable value" means actual replacement cost (exclusive of costs of excavation, foundation and footings) without deduction for physical depreciation;

(2) Comprehensive Public Liability insurance against any and all claims (and the costs and expenses of defending the same) for personal injury, death and property damage occurring upon or in or about the Mortgaged Premises, or resulting from any activity thereat; in any event, the single limit of such insurance shall be in an amount of not less than \$1,000,000.00;

(3) Flood insurance, as and when available, if the area of the Mortgaged Premises has been designated as a special flood hazard area by the Federal Insurance Administration or successor agency; and

(4) Rental or business interruption insurance in amounts sufficient to pay, for a one (1) year period, all amounts required to be paid pursuant to the Note and this Mortgage.

(5) Such other insurance as from time to time may be reasonably required by the Lender, and, in any event, if and when any construction work for any part of the Mortgaged Premises commences, coverages for Builder's Risk, Worker's Compensation and Contractual Liability;

B. The Borrower may effect for its own account any insurance not required under the provisions of subparagraph 5A above, but any insurance effected by the Borrower on the Mortgaged Premises, whether or not required under this Mortgage, shall be for the benefit of the Lender and the Borrow-

er, as their interests may appear, and shall be subject to the provisions of this Mortgage.

C. If the Borrower shall fail to keep the Mortgaged Premises insured in accordance with the requirements of this Paragraph 5, the Lender shall have the right, at its option and in addition to any other remedies available to it under this Mortgage, to provide for such insurance and pay the premiums thereof, and any amounts so paid by the Lender shall constitute additional indebtedness secured by this Mortgage, shall bear interest at the Default Rate and shall immediately be due and owing to the Lender.

D. All policies of such insurance shall include a provision requiring that the coverages evidenced thereby shall not become terminated (whether because of cancellation, expiration of stated term, failure to renew, or otherwise) or materially modified without thirty (30) days prior written notice to the Lender. None of such insurance may be provided for under any "blanket policy" carried by the Borrower, unless Lender is furnished with satisfactory proof that such policy complies in all respects with the provisions of this Paragraph, and that the coverage provided thereunder shall not be reduced or diminished by the use thereof and is at least equal to the coverage which would be provided under a separate policy covering only the Mortgaged Premises.

E. The Borrower shall deliver to the Lender the originals (or certified copies with a "material change" endorsement) of all insurance policies, or certificates of coverage under blanket policies, including renewal or replacement policies and, in the case of insurance about to expire, shall deliver renewal or replacement policies or certificates as to the insurance thereof, or certificates in case of blanket policies, not less than thirty (30) days prior to their respective dates of expiration.

F. On all insurance policies of the character described in clauses (1), (3) and (4) of subparagraph 5A above, Lender shall be named as the mortgagee in a standard mortgage clause, and as an additional payee where appropriate, and such insurance shall be for the benefit of the Borrower and the Lender as their interests may appear. Any loss or damage ("loss") to the Mortgaged Premises not exceeding Twenty Thousand (\$20,000) Dollars may be adjusted by the Borrower alone; any loss which exceeds that amount shall be adjusted by both Borrower and Lender; in any event, the insurance proceeds for all losses shall be paid to Lender alone, and not to Borrower and Lender jointly. All such insurance proceeds shall be applied in accordance with Paragraph 6 below, and any amounts not so applied shall be paid to the Borrower.

G. On all insurance policies of the character described in clause (2) of subparagraph 5A above, Lender shall be named as an additional insured thereunder.

6. Damage or Destruction.

A. In case of any damage to or destruction of the Mortgaged Premises or any part thereof from any cause whatsoever, other than a "Taking" as defined and provided for in Paragraph 10 below, the Borrower shall promptly given written notice thereof to the Lender. Subject to the provisions of subparagraph 5D below, Borrower shall cause the Mortgaged Premises to be

restored, repaired, replaced or rebuilt to substantially the same value, condition and character as existed immediately prior to such damage or destruction or with such changes, alterations and additions as may be made at the Borrower's election pursuant to Paragraph 4 above. Such restoration, repair, replacement or rebuilding (hereinafter, collectively, "Restoration") shall be commenced promptly and completed with diligence by the Borrower, subject only to delays beyond its control.

B. Subject to subparagraph 6E below, all net insurance proceeds received by the Lender pursuant to Paragraph 5 above shall be made available to the Borrower for the Restoration. If at any time the net insurance proceeds which are payable to the Borrower in accordance with the terms of this Mortgage shall be insufficient to pay the entire cost of the Restoration, the Borrower shall pay the deficiency. In such an event, Borrower shall make all payments from its own funds to the contractor making such Restoration until the amount of said deficiency has been satisfied; thereafter, Lender shall make subsequent payments from the insurance proceeds to Borrower or to the contractor, whichever is appropriate. All payments hereunder shall be made only upon a certification of a supervising architect appointed by the Borrower and satisfactory to the Lender that payments, to the extent approved by such supervising architect, are due to such contractor for the Restoration, that the Mortgaged Premises are free of all liens of record for work, labor or materials, and that the work conforms to the legal requirements therefor.

C. Upon completion of the Restoration, the excess net insurance proceeds, if any, shall be paid to the Borrower.

D. Borrower shall have the option in case of damage or destruction to all, or substantially all, of the Mortgaged Premises, to prepay the remaining balance of the Note together with accrued interest thereon with the same prepayment premium, if any, as provided in the Note. In such an event, any insurance proceeds received and held by Lender pursuant to Paragraph 5 above, shall be applied by Lender to the portion of the remaining balance due hereunder. To exercise this option Borrower shall give written notice to Lender of its intent to do so within thirty (30) days of any such damage or destruction.

E. If any "Event of Default", as hereinafter defined, then exists, any insurance proceeds received by Lender or to which it is entitled may be retained by Lender and, at its option, applied in payment of any indebtedness secured hereby. Any amount remaining following such application shall be paid to Borrower.

F. In any event, the Borrower shall continue to pay the principal and interest on the Note notwithstanding any damage, loss or casualty.

7. Indemnification.

The Borrower will protect, indemnify, defend and hold harmless the Lender from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) imposed upon or incurred by or asserted against the Lender, as a result of (a) ownership of the Mortgaged Premises or any interest therein or receipt of any rent or other sum

therefrom, (b) any accident, injury to or death of persons or loss of or damage to property occurring in, on or about the Mortgaged Premises or any part thereof or on adjoining sidewalks, curbs, vaults, vault space, adjacent parking areas or streets or ways (collectively, "adjacent areas"), (c) any use, non-use or condition of the Mortgaged Premises or any part thereof or said adjacent areas, (d) any failure on the part of the Borrower to perform or comply with any of the terms of this Mortgage, or (e) the performance of any labor or services or the furnishing of any materials or other property with respect to the Mortgaged Premises or any part thereof. Any amounts payable to the Lender under this Paragraph which are not paid within fifteen (15) days after written demand therefor by the Lender shall bear interest at the Default Rate from the date of such demand, and shall constitute additional indebtedness secured by this Mortgage. The obligations of the Borrower under this Paragraph shall survive any release, satisfaction, termination or extinguishment of this Mortgage and/or the lien hereof, and notwithstanding the "defeasance" provisions of Paragraph 20 below.

8. Prohibited Transfer or Financing.

Borrower shall not, without the prior written consent of the Lender and whether voluntarily or by operation of law (except when resulting from the death of any interested party), cause, attempt or agree to cause, suffer or permit any of the following (hereinafter, a "Prohibited Transfer") to occur with respect to all or any portion of (a) the Mortgaged Premises (including, without limitation, the aforesaid rents, issues, proceeds or profits) or the legal or equitable title thereto, (b) the beneficial interest in any trust, including the aforesaid Trust, the trustee of which is (or, with the Lender's prior written consent, becomes), and for so long as it remains, the owner of legal title to the aforesaid real estate, and (c) the interest of each (i) general partner of (ii) shareholder of, or (iii) holder of a voting equity or voting profit sharing interest in, any partnership, corporation, trust or other entity which is (or, with the Lender's prior written consent becomes), and for so long as it remains, the owner of said legal title or beneficial interest: a sale, installment sale, conveyance, assignment, collateral assignment, mortgage, pledge, hypothecation or other transfer or encumbrance, and including a lease or similar transaction under terms which are substantially equivalent to a sale of the said real estate subject to the Mortgage.

9. Priority of Lender's Lien: After-Acquired Property.

A. This Mortgage is and will be maintained as a valid first mortgage on the Mortgaged Premises. The Borrower will not directly or indirectly create or suffer or permit to stand against the Mortgaged Premises or any portion thereof (including rents, issues and profits) any lien, security interest, encumbrance or charge superior to, or on a parity with, the lien of this Mortgage; provided, however, that nothing herein contained shall require the Borrower to pay any Imposition prior to the last day on which the same shall become due and payable without penalty, or prevent the Borrower from contesting any Imposition by means of a "Permitted Contest" described in Paragraph 22 below.

B. Subject to its rights to assert a Permitted Contest, the Borrower shall keep and maintain the Mortgaged Premises free from all liens for

monies due and payable to persons supplying labor or services for, and providing materials used in, the construction, maintenance, modification, repair or replacement of the Mortgaged Premises. If any such lien is filed or claimed against the Mortgaged Premises, the Borrower shall promptly cause the same to be discharged of record, or to be contested by means of a Permitted Contest.

C. In no event shall Borrower do, or permit to be done, or omit to do, or permit the omission of, any act or thing, the doing of which, or omission to do which, would impair the security of this Mortgage. The Borrower shall not initiate, join in or consent to any change in any private restrictive covenant, zoning ordinance or other public or private restriction or agreement materially changing the uses which may be made of the Mortgaged Premises or any part thereof without the express written consent of the Lender.

D. All property of every kind acquired by the Borrower after the date hereof which, by the terms hereof, is required or intended to be subjected to the lien of this Mortgage shall, automatically upon the acquisition thereof by Borrower and without the requirement of any further mortgage, conveyance, assignment or transfer to Lender, become subject to the lien and security of this Mortgage. Nevertheless, Borrower will do such further acts and execute, acknowledge and deliver such further conveyances, mortgages, security agreements, financing statements and assurances as Lender shall require for accomplishing the purpose of this Mortgage.

E. If any action or proceeding shall be threatened or instituted to recover possession of the Mortgaged Premises or any part thereof or to accomplish any other purpose which would materially affect this Mortgage or the Mortgaged Premises, including a "Taking" as defined in Paragraph 10 below, Borrower will immediately upon receipt thereof deliver to Lender true copies of all notices, process, pleadings and papers of any kind received by Borrower with respect to such action or proceeding.

10. Condemnation.

A. The term "Taking" as used herein shall mean a taking of all or part of the Mortgaged Premises under the power of condemnation or eminent domain. Lender may, at its option, appear in any proceeding or action for such Taking. Borrower shall not adjust or compromise any claim for award or other proceeds of a Taking without first giving at least thirty (30) days' prior written notice to Lender of the proposed basis thereof and without first receiving the written consent thereto of Lender. Any such award or other proceeds, after allowance for expenses incurred in connection therewith, are hereinafter referred to as "Condemnation Proceeds".

B. In the event of a Taking of all (or substantially all, hereinafter, "all") of the Mortgaged Premises, or a Taking of less than all of the Mortgaged Premises and if the same are not susceptible to restoration, the Condemnation Proceeds shall be paid to Lender and applied, at its option, to payment of the mortgage indebtedness, in which event no prepayment premium (if any) shall become due.

C. Subject to subparagraph 10D below, in the event of a Taking of less than all of the Mortgaged Premises which leaves the same susceptible

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and suitable to restoration, the Condemnation Proceeds shall be applied as follows: if the Condemnation Proceeds shall amount to Twenty Thousand (\$20,000.00) Dollars or less, such amount shall be paid to and applied by Borrower to the repair or restoration, to the extent practicable, for any resulting damage to the Mortgaged Premises; if the condemnation Proceeds shall amount to more than Twenty Thousand (\$20,000.00) Dollars, such amount shall be paid to Lender in escrow, and shall be applied to reimburse the Borrower for such repair or restoration in conformity with and subject to the conditions specified in Paragraph 6 above relating to damage or destruction. In either of the foregoing events, Borrower shall, whether or not the Condemnation Proceeds applicable thereto shall be sufficient for the purpose, promptly repair or restore the Mortgaged Premises as nearly as practicable to substantially the same value, condition and character as existed immediately prior to the Taking, with such changes and alterations as may be made at Borrower's election in conformity with and subject to Paragraph 4 above and as may be required by such Taking.

D. If any Event of Default then exists or shall occur, any Condemnation Proceeds in the hands of Lender or to which Lender is entitled may be retained by Lender and, at its option, applied in payment of any indebtedness secured hereby. Any amount remaining following such application shall be paid to Borrower.

11. Right to Inspect.

Lender or its agents and representatives may, at reasonable times and upon reasonable notice to Borrower, make such inspections of the Mortgaged Premises as Lender may from time to time deem necessary or desirable.

12. Books and Records; Financial Statements.

The Borrower shall at all times cause to be kept and maintained, books of record and account and the data in support thereof (collectively, the "books"), relating to the Mortgaged Premises and the use and operation thereof, which books shall at all reasonable times be open to the inspection of Lender or its designee. The books shall contain full, true and correct entries made in accordance with generally accepted accounting principles.

The Borrower shall cause to be prepared and delivered to Lender, all in reasonable detail and certified by an appropriate accounting officer as being complete and correct, (a) personal financial statements of the maker(s) (except the Trustee) and any guarantor of the Note, and each beneficiary under the Trust, within Ten (10) days after the Lender's written request therefor, and, in any event, within ninety (90) days after the end of each calendar year, and (b) leasing status reports and operating statements for the Mortgaged Premises within Ten (10) days after the Lender's written request therefor, and, in any event, on or before the end of each calendar year.

13. Taxes on Mortgage or Note.

In the event of the passage of any law which, for the purposes of taxation, deducts from the value of the Mortgaged Premises any lien thereon and which, in turn, imposes a tax, whether directly or indirectly, on this

Mortgage or on the Note, Borrower shall immediately pay same when due; but if Borrower is prohibited by law from paying, or reimbursing Lender for the payment of, such tax, then, at the option of Lender and upon sixty (60) days notice thereof, such event shall be treated as if it were an additional "Event of Default" under Paragraph 14 below, except that no prepayment premium (if any) shall become due, nor shall the maturity of the Other Liabilities be accelerated, by reason thereof.

14. Events of Default.

Each of the following events shall constitute an "Event of Default" hereunder, and, as used in this Paragraph, the term "notice thereof" means a written notice of the occurrence of such event given by Lender to Borrower:

A. A default in the full and timely payment, when the same becomes due and payable (a) of any amount, including principal or interest installments, due under or required to be paid by the Note, which default remains uncured for the applicable time period, if any, provided for therein, or (b) of any other amount due under this Mortgage, which default remains uncured for a period of ten (10) days after notice thereof; or

B. Subject to the rights granted under Paragraph 22 below, a default in the full and timely payment of any Imposition when the same becomes due and payable, which default remains uncured for a period of ten (10) days after notice thereof; or

C. Any of the following acts of or against Borrower: a general assignment for the benefit of creditors, or its statement in writing or by public announcement of its inability to pay its debts as they become due, or the filing of a petition in bankruptcy, or its adjudication as a bankrupt or insolvent, or the filing of a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or its filing of an answer admitting or not contesting the material allegations of a petition against it in any such proceeding, or its seeking of or consent to or acquiescence in the appointment of any trustee, receiver or liquidator of Borrower or any material portion of its assets; provided that, as to any of the foregoing acts which occurs without its consent or acquiescence, Borrower shall be allowed a period of thirty (30) days thereafter within which to have the same stayed, dismissed, vacated or set aside; or

D. The occurrence of a Prohibited Transfer described in Paragraph 8 above; or

E. Any representation or warranty made by Borrower in this Mortgage, in any of the Loan Documents, or in any other instrument, agreement or written statement with respect to the Loan and furnished to the Lender along with or prior to this Mortgage, shall prove to have been false or incorrect in any material respect on or as of the date when made and such falsity or incorrectness shall materially affect the security of this Mortgage; or

F. Any other event which, as defined therein, is an "Event of Default" under the Note; or

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G. Any other event which constitutes a default in the performance or observance of any covenant or agreement of this Mortgage and which remains uncured for a period of thirty (30) days after notice thereof.

15. Lender's Remedies upon an Event of Default.

A. If an Event of Default shall occur, the Lender may, at its option and without any notice to or demand upon the Borrower, exercise any one or more of the following remedies:

(1) Accelerate the maturity of the indebtedness secured hereby, in which event the unpaid principal and accrued interest under the Note and all other sums due thereunder or hereunder or secured hereby, including amounts payable under the Loan Documents and the Other Liabilities, shall become immediately (and, whether or not such Event of Default is subsequently remedied by Borrower, shall thereafter remain) due and payable in full, and, until paid, shall bear interest at a per annum rate equal to the Default Rate, except that, as to any portion of the Other Liabilities which is evidenced by an instrument which expressly provides for a different post-maturity rate, said portion shall bear interest at such different rate rather than the Default Rate. Whether or not Lender exercises the foregoing right of (or thereafter rescinds any such) acceleration, all reasonable costs, expenses and attorney's fees incurred by or on behalf of Lender with respect to any Event of Default shall be immediately due and payable by Borrower, with interest at the Default Rate, and are secured hereby;

(2) Enter upon and take possession of the Mortgaged Premises or any part thereof, and exclude the Borrower and all other persons and any and all property therefrom, and may hold, operate, manage, and lease the same and receive all earnings, income, rents, issues, and proceeds accruing with respect thereto. Lender shall be under no liability for or by reason of such entry, taking of possession, removal, holding, operation or management, except that any amounts so received shall be applied as hereinafter provided in this Paragraph. While in possession of the Mortgaged Premises, Lender shall have the following powers: (a) to collect the rents and manage, lease, alter and repair the Mortgaged Premises, obtain insurance and in general have all powers and rights customarily incident to absolute ownership; and (b) to pay out of the rents so collected, and in such order as Lender may determine, the management and repair charges, taxes, insurance, commissions, fees and all other expenses and, after creating reasonable reserves, apply any balance on account of the indebtedness secured hereby;

The Lender may remain in such possession of the Mortgaged Premises after the commencement of any foreclosure proceedings. Lender shall incur no liability for, nor shall Borrower assert any claim, setoff or recoupment as a result of, any action taken while Lender is in such possession, except only for Lender's own gross negligence or willful misconduct. If no foreclosure proceedings are commenced, Lender may remain in such possession as long as an Event of Default exists;

(3) Commence foreclosure proceedings as to the lien of the Mortgage, in accordance with applicable law;

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(4) Apply for the appointment of the Lender or another as the receiver for the Mortgaged Premises, whether or not foreclosure proceedings have been commenced, or, if commenced, apply for the appointment of Lender as "mortgagee in possession". Borrower hereby consents (and covenants not to object) to any such appointment, and acknowledges that the same may be made without regard to the then value of the Mortgaged Premises or the then solvency or insolvency of the Borrower; and

(5) Exercise any and all other remedies granted under the Loan Documents, or now or hereafter existing in equity, at law, by virtue of statute or otherwise.

B. The proceeds of any foreclosure, Uniform Commercial Code or other sale of the Mortgaged Premises or part thereof or any interest therein, and all amounts received by Lender by reason of any holding, operation or management of the Mortgaged Premises or any part thereof, together with any other monies at the time held by Lender, shall be applied in the following order of priority:

(1) To all costs and expenses of the sale of the Mortgaged Premises or any part thereof or any interest therein, or entering upon, taking possession of, removal from holding, operating and managing the Mortgaged Premises or any part thereof, as the case may be, together with (a) the costs and expenses of any receiver of the Mortgaged Premises or any part thereof appointed pursuant hereto and (b) any taxes, assessments or other charges, prior to the lien of this Mortgage, which Lender may consider necessary or desirable to pay; then

(2) To any indebtedness secured by this Mortgage and at the time due and payable, other than the indebtedness with respect to the Note at the time outstanding; then

(3) To all amounts of principal, premium (if any) and interest at the time due and payable on the Note at the time outstanding (whether at maturity or on a date fixed for any installment payment or any prepayment or by declaration or acceleration or otherwise), including interest at the Default Rate on any overdue principal and premium and (to the extent permitted under applicable law) on any overdue interest; and, in case such monies shall be insufficient to pay in full the amount so due and unpaid upon the Note, then, first to the payment of all amounts of interest at the time due and payable on the Note, and second, to the payment of all amounts of principal and premium (if any) at the time due and payable on the Note; and then

(4) The balance, if any, to the person or entity then entitled thereto pursuant to applicable state law.

C. BORROWER HEREBY WAIVES ANY AND ALL RIGHTS OF REDEMPTION UNDER ANY JUDGMENT OF FORECLOSURE OF THIS MORTGAGE, AND ANY REDEMPTION RIGHTS GRANTED BY THE "ILLINOIS MORTGAGE FORECLOSURE LAW" ("IMPL"), ON BEHALF OF BORROWER, THE TRUST ESTATE AND ALL PERSONS BENEFICIALLY INTERESTED THEREIN, AND EACH AND EVERY PERSON ACQUIRING ANY INTEREST IN OR TITLE TO THE MORTGAGED PREMISES SUBSEQUENT TO THE DATE OF THIS MORTGAGE. Further, Borrower hereby waives the benefit of all appraisal, valuation, stay or extension laws, and any reinstatement rights (e.g., as under Section 15-1602 of the IMPL),

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now or hereafter in force, and all rights of marshalling in the event of any sale hereunder of the Mortgaged Premises or any part thereof or any interest therein.

16. Rights are Cumulative.

Each right, power and remedy of Lender now or hereafter existing under the Loan Documents or at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power and remedy provided for in this Mortgage, and the exercise of a right, power or remedy shall not preclude the simultaneous or later exercise of any other right, power or remedy, and, except as otherwise expressly provided for herein, notice by Lender of such exercise is not required to be given.

17. Compromise of Actions.

Any action, proceeding or claim made or brought by Lender pursuant to or under this Mortgage, or otherwise, may be compromised, withdrawn or otherwise dealt with by Lender without any notice to or approval of Borrower, except as otherwise provided in this Mortgage.

18. No Waiver by Lender.

No delay or failure by Lender to insist upon the strict performance of any provision hereof or of the Note or to exercise any right, power or remedy provided for herein or therein as a consequence of any default hereunder or thereunder, and no acceptance of any payment of the principal, interest or prepayment premium, if any, on the Note during the continuance of any such default, shall constitute a waiver of any such provision, such default or such right, power or remedy or shall preclude any other or further exercise thereof or the exercise of any other right, power or remedy. No waiver of any default hereunder shall affect or alter this Mortgage, which shall continue in full force and effect with respect to any other then existing or subsequent default.

19. Further Assurances.

The Borrower, at its expense, will promptly execute, acknowledge and deliver such instruments and take such actions as Lender from time to time may reasonably request, including, but not limited, to separate security agreements, financing statements and estoppel letters, for the further assurance to Lender of the properties and rights now or hereafter subjected to the lien hereof or assigned hereunder or intended so to be.

20. Defeasance.

If Borrower shall pay the principal, interest and premium, if any, due under the Note in accordance with the terms thereof, and if it shall pay all other sums payable hereunder and shall comply with all other terms hereof and the terms of the Note, the Loan Documents and the Other Liabilities, then this Mortgage and the estate and the rights hereby created in favor of Lender, and (except as to its duty to indemnify the Lender under Paragraphs 7 and 27 hereof) the liabilities hereby imposed upon Borrower, shall cease, terminate and become released, and thereupon Lender, upon the

written request and at the expense of Borrower, shall execute and deliver to Borrower such instruments as shall be required to evidence of record the satisfaction of this Mortgage and the lien hereof, and any sums at the time held by Lender for the account of Borrower pursuant hereto shall be paid over to and as Borrower may direct.

21. Definitions of "Borrower", "Lender", "Other Liabilities" and "Loan Documents".

Wherever used in this Mortgage, unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein: (a) the term "Borrower" shall, in addition to the aforesaid Trustee, be deemed to mean and include (i) any subsequent owner of the subject real estate, including a trustee under a land trust, (ii) any beneficiary of the aforesaid Trust or such subsequent land trust, (iii) each general partner of any partnership, or any holder of more than twenty-five percent (25%) of the outstanding stock of any corporation, which becomes such subsequent owner or such beneficiary, and (iv) each maker, and any present or subsequent guarantor, of the Note; (b) the term "Lender" shall, in addition to Pioneer Bank and Trust Company, be deemed to mean and include any subsequent holder of the Note, and (c) the terms "Other Liabilities" (i.e., all other obligations of any kind of Borrower to Lender) and "Loan Documents" (i.e., those instruments which further evidence or secure the Loan) shall have those meanings as are set forth in the Note.

22. Permitted Contests.

Borrower may, at its own expense and by appropriate legal proceedings conducted in good faith and with due diligence and in accordance with the following provisions (a "Permitted Contest") contest the amount or validity or application, in whole or in part, of any imposition or lien therefor or the validity of any lien or other instrument of record affecting the Mortgaged Premises or any part thereof, provided that (a) neither the Mortgaged Premises nor any part thereof or interest therein would be in any danger of being sold, forfeited or lost, (b) neither Borrower nor Lender would be in any danger of any criminal liability, or any additional civil liability, for failure to comply therewith, and (c) Borrower shall have set aside on its books adequate reserves with respect thereto and shall have furnished such security, if any, as may be required in the proceedings or as may be reasonably required by Lender.

23. Tax and Insurance Premium Deposits.

A. Unless otherwise agreed in writing, Borrower shall pay Lender monthly such sums (the "Deposits") as Lender shall from time to time require for the purpose of accumulating (at least sixty (60) days in advance of each of the due dates thereof) amounts sufficient for the full payment of the Impositions, and of the premiums for the insurance coverages required under Paragraph 5 above, due hereafter from time to time.

B. The Deposits are hereby pledged for the further security of this Mortgage, shall earn no interest and may be applied at its option by Lender toward the reduction of any past due indebtedness secured hereby, and no third party shall have any rights therein or as to the application thereof.

C. Lender shall have no duty or responsibility to apply the Deposits toward, or to inquire as to the validity or accuracy of, any Impositions or insurance premiums; however, if Borrower is not then in default under this Mortgage, and upon its request and presentation of the proper bills or invoices therefor, Lender shall cause the same to be paid from and to the extent of the Deposits then on hand.

24. Expense of Litigation and Preparation therefor.

If any litigation or proceedings (including, but not limited to, foreclosure, probate or bankruptcy proceedings) with respect to the Lender's rights, security, interest or lien (collectively, "Rights") in, to or under this Mortgage, the Note, the Loan Documents or the Mortgaged Premises, are threatened or commenced and under which the Lender is or would be a proper party or participant, all costs, expenses and reasonable attorneys' fees incurred by or on behalf of Lender in the prosecution, defense or protection of its Rights, or in preparation therefore, shall be immediately due and payable by Borrower, with interest at the Default Rate, and are secured hereby.

25. Disclaimer by Lender.

Lender shall not be liable to any party for services performed or obligations due in connection with the Loan. Lender shall not be liable for any debts or claims accruing in favor of any parties against Borrower or against the Mortgaged Premises. The Borrower is not nor shall be an agent of Lender for any purposes, and Lender is not a venture partner with Borrower in any manner whatsoever. Approvals granted by Lender for any matters covered under this Mortgage shall be narrowly construed to cover only the parties and facts identified in any written approval or, if not in writing, such approvals shall be deemed solely for the benefit of Borrower.

26. Maximum Indebtedness Secured Hereby.

This Mortgage does and shall secure the proceeds of the Loan, all amounts due Lender hereunder and under the Note, the Loan Documents and the Other Liabilities, as well as any non-obligatory future advances made by Lender to or for Borrower; however, at no time shall the total indebtedness secured hereby (excluding any obligatory advances hereunder) exceed an amount equal to 500% of the aforesaid principal amount of the Note.

27. Environmental Matters.

The Borrower further represents to and covenants and agrees with the Lender as follows:

A. Borrower will not use, generate, manufacture, produce, store, release, discharge, or dispose of on, under or about the Mortgaged Premises, or transport to or from the Mortgaged Premises any "Hazardous Substance" (as defined herein) in excess of any applicable statutory or regulatory limits, or allow any other person or entity to do so;

B. Borrower shall keep and maintain the Mortgaged Premises in compliance with, and shall not cause or permit the Mortgaged Premises to be in

violation of any "Environmental Law" (as defined herein), or allow any other person or entity to do so;

C. Borrower shall give written notice to the Lender immediately upon Borrower's discovery of any of the following:

- (1) any proceeding or inquiry by a governmental authority, whether local, state or federal, with respect to the presence of any Hazardous Substance on the Mortgaged Premises or the migration thereof from or to other property;
- (2) all claims made or threatened by any third party against the Borrower or the Mortgaged Premises relating to any loss or injury resulting from any Hazardous Substance; and
- (3) any occurrence or condition on any real property adjoining or in the vicinity of the Mortgaged Premises that could cause the Mortgaged Premises or any part thereof to be subject to any restriction on the ownership, occupancy, transferability or use of the Mortgaged Premises under any Environmental Law;

D. Lender shall have the right to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any Environmental Law and the Borrower hereby agrees to pay any reasonable attorneys' fees thereby incurred by the Lender on connection therewith;

E. Borrower will protect, indemnify, defend and hold harmless the Lender, its directors, officers, employees, agents, contractors, attorneys, other representatives, successors and assigns from and against any and all loss, damage, cost, expense or liability, including by way of illustration and not limitation, reasonable attorneys' fees and court costs, directly or indirectly arising out of attributable to the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal, or presence of Hazardous Substance on, under or about the Mortgaged Premises, including, without limitation, (1) all foreseeable consequential damages and (2) the costs of any required or necessary repair, cleanup or detoxification of the Mortgaged Premises and the preparation and implementation of any closure, remedial or other required plans. The obligations of the Borrower under this Paragraph shall survive any release, satisfaction, termination or extinguishment of this Mortgage and/or the lien hereon and notwithstanding the "defeasance" provisions of Paragraph 20 above.

F. In the event that any investigation, site monitoring, containment, cleanup, removal, restoration or other remedial work of any kind or nature whatsoever (the "Remedial Work") is reasonably necessary or desirable under any applicable local, state or federal law or regulation, any judicial order, or by any governmental or nongovernmental entity or person because of, or in connection with, the current or future presence, suspected presence, release or suspected release of a Hazardous Substance in or into the air, soil, ground water, surface water or soil vapor at, on, about, under or within the Mortgaged Premises, or any portion thereof, the Borrower shall within thirty (30) days after written demand for performance thereof by the Lender or other party or governmental entity or agency (or

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such shorter period of time as may be required under any applicable law, regulation, order or agreement), commence to perform and thereafter diligently prosecute to completion, all such Remedial Work. All Remedial Work shall be performed by one or more contractors, approved in advance in writing by the Lender, and under the supervision of a consulting engineer approved in advance in writing by the Lender. All costs and expenses of such Remedial Work shall be paid by the Borrower, including, without limitation, the charges of such contractor and the consulting engineer, and the Lender's reasonable attorneys' fees and costs incurred in connection with the monitoring or review of such Remedial Work. In the event that the Borrower shall fail to timely commence, or cause to be commenced, or fail to diligently prosecute to completion, such Remedial Work, the Lender may, but shall not be required to, cause such Remedial Work to be performed and all costs and expenses thereof incurred in connection therewith shall become part of the indebtedness secured hereby;

G. Without the Lender's prior written consent, which shall not be unreasonably withheld, Borrower shall not take any remedial action in response to the presence of any Hazardous Substance on, under, or about the Mortgaged Premises, nor enter into any settlement agreement, consent decree, or other compromise in respect to any Hazardous Substance claims. Said consent may be withheld, without limitation, if the Lender, in its reasonable judgment, determines that said remedial action, settlement, consent, or compromise might impair the value of the Lender's security hereunder; provided, however, that the Lender's prior consent shall not be necessary in the event that the presence of Hazardous Substances in, on, under, or about the Premises either poses an immediate threat to the health, safety, or welfare of any individual or is of such a nature that an immediate remedial response is necessary, and it is not possible to obtain the Lender's consent before taking such action, provided that in such event the Borrower shall notify the Lender as soon as practicable of any action so taken. Lender agrees not to withhold its consent, when such consent is required hereunder, if either (1) particular remedial action is ordered by a court of competent jurisdiction, or (2) the Borrower establishes to the reasonable satisfaction of the Lender that there is no reasonable alternative to such remedial action that would result in materially less impairment of the Lender's security hereunder;

H. For purposes of the within Paragraph, the following terms shall have the meanings as set forth below:

(1) "Environmental Laws" means any local, state or federal law, statute, ordinance, or regulation pertaining to health, industrial hygiene, or the environmental conditions on, under or about the Mortgaged Premises, including, but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") as amended, 42 U.S.C. Section 9601 et seq., the Resource Conservation and Recovery Act of 1976 ("RCRA") as amended, 42 U.S.C. Section 6901 et seq., and the Illinois Environmental Protection Act ("IEPA") (Ill. Rev. Stat. ch. 111-1/2, par. 1001 et seq.);

(2) "Hazardous Substance" means:

(a) Those substances included within the definitions of any one or more of the terms "hazardous substances", "hazardous

materials", "toxic substances", and "solid waste" in CERCLA, RCRA, IEPA, and the Hazardous Materials Transportation Act as amended, 49 U.S.C. Section 1601 et seq., and in the regulations promulgated pursuant to said laws or under any other applicable state law;

- (b) Those substances listed in the United Department of Transportation Table (49 CFR 172.010 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto);
- (c) Such other substances, materials and wastes which are or become regulated under applicable local, state or federal laws, or which are classified as hazardous or toxic under local, state, or federal laws or regulations; and
- (d) Any material, waste or substance which is (i) petroleum; (ii) asbestos; (iii) polychlorinated biphenyls; (iv) designated as a "hazardous substance" in or pursuant to the Clean Water Act, 33 U.S.C. Section 1251 et seq.; (v) flammable explosives; or (vi) radioactive materials.

28. Additional Agreements of Borrower.

A. Upon Lender's request, Borrower shall confirm in writing to Lender, or its designee, the amount then due hereunder and under the Note.

B. If the time for payment of part or all of the indebtedness secured hereby be extended at any time or times, if the Note be renewed, modified or replaced, or if any security for the Note be released, Borrower and all other parties now or hereafter liable for payment of part or all of such indebtedness or interested in the Mortgaged Premises shall be held to consent to such extensions, renewals, modifications, replacements and releases, and their liability and the lien hereof and the Other Liabilities and the Lender's rights hereunder and thereunder shall continue in full force, the right of recourse against all such parties being reserved by Lender.

C. This Mortgage shall be binding upon Borrower and its successors and assigns, and all persons claiming under or through Borrower or any such successor or assign, and shall inure to the benefit of and be enforceable by Lender and its successors and assigns.

D. The headings in this Mortgage are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

E. If any provision of this Mortgage or the application thereof to any person, party or circumstance shall be invalid or unenforceable under applicable law, such event shall not affect, impair or render invalid or unenforceable the remainder of this Mortgage nor any other provision hereof, nor shall it affect the application of any provision hereof to other persons, parties or circumstances.

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F. This Mortgage is executed and delivered at Chicago, Illinois and shall be governed by and construed in accordance with the laws of the State of Illinois. Actions for all disputes and claims hereunder shall, at Lender's option, be commenced in or transferred to such Department (and such Division or District thereof) of the Circuit Court of Cook County as the Lender may select. Borrower hereby waives any right now or in the future to remove any such action to the Courts of the United States of America.

G. The Borrower warrants that the Loan is an exempted transaction under the Truth-In-Lending act, 15 U.S.C. Section 1601 et seq., and constitutes a business loan under the provisions of Chapter 17, Paragraph 6404 of the Illinois Revised Statutes.

H. All terms and provisions of the Note are hereby incorporated herein by reference; in the event of a conflict between any provisions of this Mortgage and any provisions of the Note, the provisions designated by the Lender, in its sole discretion, shall prevail.

I. The term "Permitted Exceptions" appearing in Paragraph 2 above means those title or survey matters which are approved by Lender at the time of the initial disbursement of the proceeds of the Loan.

J. The Lender is hereby subrogated to any mortgage (or other) lien which is discharged, in whole or in part, by the proceeds of the Loan.

K. This Mortgage may not be amended, modified, or terminated except pursuant to written agreement between Lender and Borrower.

L. The Trustee has been duly authorized and directed by all of the beneficiaries and holders of power of direction under the aforesaid Trust to execute and deliver this Mortgage.

29. Debt Service Coverage Ratio.

At all times during the term of the Loan, Borrower shall maintain a "Debt Service Coverage Ratio" of at least 1.25. As used herein, "Debt Service Coverage Ratio" means the quotient derived by dividing the "Net Operating Income" (as hereinafter defined) of the Mortgaged Premises by the "Debt Service Payment" (as hereinafter defined) due under the Note. As used herein, "Net Operating Income" for any period of time means and includes: (a) all of Borrower's operating gross receipts derived during that period from any and all sources and in any way, manner or respect relating to and/or arising from the Mortgaged Premises and/or the operation thereof (including, without limitation, rental and leasehold income, expense reimbursements, service income, parking income, concession income and other operating income), adjusted by deducting (b) normal and customary operating and maintenance expenses attributable to the Mortgaged Premises (including, without limitation, costs of ordinary and necessary repair and maintenance, costs of cleaning and janitorial service and supplies, management fees, leasing commissions, costs of utilities, real estate taxes and insurance premiums, and payments of principal or interest other than the Debt Service Payment, but excluding depreciation, partnership or corporate distributions, capital expenditures, state, local or federal income taxes and the Debt Service Payment). As used herein, the term "Debt Service Payment" for any period of time means interest and principal payable to Lender pursuant

to the terms of the Note, other than principal and interest due at maturity or upon an acceleration thereof. At Lender's request, Borrower shall furnish such evidence, including, without limitation, certified reports, statements and photocopies of leases, in form and substance reasonably satisfactory to Lender, as Lender shall require to verify Borrower's compliance with the foregoing requirement. Borrower's failure to supply any such requested information within Ten (10) days of the date of the Lender's request for such material, or Borrower's failure to maintain the required Debt Service Coverage Ratio, shall constitute an "Event of Default" hereunder and under the Note.

30. Notices.

Any notice, demand or other communication intended to be given pursuant to the terms hereof (collectively, "notice") shall be in writing and shall be delivered by personal service (including private courier service with charges prepaid), or mailed to the following addresses or such other address within the United States as the party to receive such notice hereafter designates to the other parties by written notice:

If to Borrower:

BANK OF RAVENSWOOD
Trust No. 25-9128
1825 West Lawrence Avenue
Chicago, Illinois 60640
Attn: Land Trust Department

With Copy to:

MICHAEL D. AUFRECHT
312 West Randolph Street
Chicago, Illinois 60606

If to Lender:

PIONEER BANK AND TRUST COMPANY
4000 West North Avenue
Chicago, Illinois 60639
Attn: Commercial Real Estate Department

Any such notice shall be deemed given as of the date of delivery if delivered by personal service, or as of the second business day following the date of mailing if sent by certified or registered mail with postage prepaid and return receipt requested. Rejection of or failure to accept a notice, or the inability to deliver same because of an address change of which no notice was given, shall be deemed to constitute receipt of the notice sent. Personal service upon the Lender shall be valid only if made upon one of its officers.

31. Exculpation of Trustee.

This Mortgage is executed by the aforesaid Trustee in the exercise of the authority conferred upon it as such Trustee and not in its individual capacity. Other than the warranty hereby made that it possesses full power and authority to execute this Mortgage, nothing contained herein shall be construed as creating any liability on the Trustee, in its individual

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EXHIBIT A

Description of Real Estate

PARCEL 1:

LOT 23 (EXCEPT THE SOUTHERLY 4.46 FEET OF SAID LOT 23) IN THE RESUBDIVISION OF THE EAST ONE-HALF (1/2) OF BLOCK 11 AND THE WEST ONE-HALF (1/2) OF BLOCK 10 IN WHITE'S ADDITION TO EVANSTON, A SUBDIVISION OF PART OF THE NORTH ONE-HALF (1/2) OF THE NORTH ONE-HALF (1/2) OF THE SOUTHEAST ONE-HALF (1/4) OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED, NOVEMBER 13, 1873 IN BOOK 6 OF PLATS, PAGE 64 IN COOK COUNTY, ILLINOIS.

PARCEL 2:

EASEMENTS FOR THE BENEFIT OF PARCEL 1 AS SET FORTH AND DEFINED IN DOCUMENT NO. 13730053.

Commonly known as 500-514 Main Street, Evanston, Illinois.

Permanent Tax No. 11-i9-401-008, Volume 059.

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