

**MORTGAGE**

THIS MORTGAGE (the "Mortgage"), dated and effective as of this 26 day of MAY, 1992, by and between LaSalle National Trust, N.A., as Trustee under a Trust Agreement dated January 1, 1992 and known as Trust No. 116844 having its principal place of business at 135 South LaSalle Street, Chicago, Illinois (the "Mortgagor"), and COLONIAL BANK, a state banking association with its principal place of business at 5850 West Belmont, Chicago, Illinois 60634 (the "Bank" or the "Mortgagee") has reference to the following facts and circumstances.

A. RIVER CROSSING LIMITED PARTNERSHIP, an Illinois limited partnership (the "Borrower") has requested and the Bank has agreed to provide to Borrower a construction loan in the principal sum of \$1,750,000.00, which is being extended to the Borrower by the Bank pursuant to the terms and provisions of the Loan Documents, as hereinafter defined, all of even date herewith executed by Borrower and delivered to Bank.

B. Pursuant to the Loan Documents, Borrower has agreed to pledge and/or caused to be pledged by the Mortgagor to the Bank as and for collateral security under the Loan Documents the right, title and interest of Mortgagor in the Mortgaged Premises.

NOW, THEREFORE, in consideration of any loan, advance, extension of credit and/or other financial accommodation at any time made by Mortgagee to or for the benefit of Mortgagor, Mortgagor agrees with Mortgagee as follows:

I.

**DEFINITIONS AND TERMS**

1.1 The following words, terms and/or phrases shall have the meanings set forth thereafter and such meanings shall be applicable to the singular and plural form thereof, giving effect to the numerical difference; whenever the context so requests, the use of "it" in reference to Mortgagor shall mean Mortgagor as identified at the beginning of this Mortgage:

(A) "And/or": one or the other or both, or any one or more or all, of the things or "Persons" (hereinafter defined) in connection with which the conjunction is used.

(B) "Borrower": RIVER CROSSING LIMITED PARTNERSHIP, an Illinois limited partnership.

(C) "Charges": all national, federal, state, county, city, municipal and/or other governmental (or any instrumentality,

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division, agency, body or department thereof, including without limitation, the "PBGC" as hereinafter defined) charges, impositions, levies, assessments and taxes (whether general, special or otherwise), water charges, sewer service charges, liens, claims or encumbrances upon and/or relating to the "Mortgaged Property" (hereinafter defined), "Mortgagor's Liabilities" (hereinafter defined) and/or "Mortgagor's Obligations" (hereinafter defined).

(D) "Default Rate": the Base Rate plus four percent (4%) per annum and shall be charged on any amount payable herein unless promptly paid, and shall constitute additional indebtedness secured by this Mortgage and shall be immediately due and payable.

(E) "Documents": the definition ascribed to this term is in Paragraphs 2.4, below.

(F) "Encumbrances": all liabilities, liens, claims, debts, exceptions, easements, restrictions, security interests, charges and all other types of encumbrances.

(G) "Equipment": all present and future apparatus, machinery, equipment, furniture, fixtures and articles of personal property of any and every kind and nature whatsoever owned by Mortgagor and/or Borrower and used, attached to, installed or located in or on the "Premises" (hereinafter defined), or required for use in or on or in connection with the Premises or the management, maintenance, operation or business thereof and all replacements thereof, substitutions therefor and accessions thereto, including, without limitation, any such item now or at any time or times hereafter situated on the Premises and used to supply or otherwise deliver heat, gas, air conditioning, water, light, electricity, power, plumbing, refrigeration, sprinkling, ventilation, mobility, communication, incineration, recreation, laundry service and all other related or other such services.

(H) "Event of Default": the definition ascribed to this term in Paragraph 7.1, below.

(I) "Fixtures": all materials, supplies, equipment, apparatus and other things owned by Mortgagor and/or Borrower or in which Mortgagor and/or Borrower has an interest now or hereafter attached to, installed in or used in connection with, temporarily or permanently, the Mortgaged Property, including but not limited to any and all partitions, window screens and shades, drapes, rugs and other floor coverings, motors, engines, boilers, furnaces, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, swimming pools, heating, ventilating, plumbing, laundry, incinerating, air conditioning and air cooling equipment and systems, gas and electric machinery, appurtenances and equipment, disposals,

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dishwashers, refrigerators and ranges, freezers, storm shutters and awnings, whether detached or detachable, and recreational equipment and facilities of all kinds, tables, chairs, partitions, and other restaurant and banquet room furnishings, kitchen equipment, silverware and crockery, ice machines, office machines and computers and software, office equipment, employee lockers, television sets, bedroom furnishings, and all linens for restaurant, bedding and bathrooms.

(J) "Leases": any and all present and future leases, agreements, tenancies, licenses and franchises of or from the Premises and/or the Fixtures and Equipment or in any way, manner or respect required, existing, used or usable in connection with the Premises and/or the Fixtures and Equipment or the management, maintenance, operation or business thereof, and all deposits of money as advance rent or for security under any or all of the Leases and all guaranties of lessee's performances thereunder.

(K) "Loan Documents": Construction Loan Agreement dated as of May 8, 1992, Construction Mortgage, Construction Mortgage Note, Assignment of Contracts and Environmental Indemnity Agreement, as executed and delivered by and between Borrower and Bank to evidence a construction loan in the principal sum of \$1,750,000.00 (collectively the "Loan Documents"). The terms, provisions and conditions of the Loan Documents are incorporated herein by this reference as if said terms, provisions and conditions of the Loan Documents were specifically set forth herein.

(L) "Mortgaged Property": (a) the Premises; (b) the "Rents" (hereinafter defined); (c) any Leases; (d) the Fixtures and Equipment (which shall be deemed to be a part of the Premises, whether or not physically attached thereto); (e) all present and future judgments, awards of damages and settlements made as a result or in lieu of any taking of the Premises, the Fixtures and Equipment and/or the Leases, or any part thereof, under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) thereto; (f) all present and future insurance policies in force or effect insuring the Premises, the Rents, the Leases or the Fixtures and Equipment; and (g) all proceeds of each and every of the foregoing.

(M) "Mortgagee": Colonial Bank and its successors and assigns.

(N) "Mortgagor": shall mean the owner of the Mortgaged Property, LaSalle National Trust, N.A. as Trustee under Trust No. 116844.

(O) "Mortgagor's Liabilities": (a) the payment of any and all monies, including, without limitation, the payment, when due or declared due, of the principal sum thereof and interest

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thereon (including all additional interest set forth therein), now and/or hereafter owed or to become owing by Borrower to Bank under and/or pursuant to the terms and provisions of the Loan Documents; (b) the payment of any and all monies, including, but not limited to, the payment, when due or declared due, of the principal sum thereof and interest thereon, now and/or hereafter owed or to become owing by Mortgagor to Bank under and/or pursuant to the terms and provisions of the Construction Note; and (c) the payment of any and all other debts, claims, obligations, demands, monies, liabilities and/or indebtedness (of any and every kind or nature) now and/or hereafter owing, arising, due or payable from Borrower to Bank under and/or pursuant to the terms and provisions of this Mortgage (including, without limitation, all advances made to protect and preserve the value of the Mortgaged Property and the priority of Mortgagee's lien thereon).

(P) "Mortgagor's Obligation": the prompt, full and faithful performance, discharge, compliance and observance by Mortgagor and/or Borrower of each and every term, condition, warranty, representation, agreement, undertaking, covenant and provision (other than Mortgagor's Liabilities) to be performed, discharged, observed or complied with by Mortgagor contained in this Mortgage, the Loan Documents and/or in the Other Agreements.

(Q) "Other Agreements": all agreements, instruments and documents, which evidence or otherwise secures Mortgagor's Obligations including, without limitation, the Note, loan agreements, security agreements, guaranties, mortgages, deeds of trust, notes, letters of credit, advances of credit, bankers acceptances, pledges, powers of attorney, consents, assignments, contracts, notices, leases, financing statements and all other written matter heretofore, now and/or from time to time hereafter executed by and/or on behalf of Borrower and delivered to Bank or issued by Bank upon the application and/or other request of, and on behalf of, Borrower.

(R) "Person": any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, institution, entity, party of government (whether national, federal, state, county, city, municipal or otherwise, including, without limitation, any instrumentality, division, agency, body or department thereof).

(S) "Premises": all of the following described real estate, and all of Mortgagor's estate, right, title and interest therein, situated, lying and being in South Barrington, Illinois and legally described on Exhibit "A" attached hereto and made a part hereof together with all buildings, improvements, tenements, easements, hereditament and appurtenances now and/or at any time or times hereafter upon, belonging or otherwise appertaining to or

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situated on said real estate and all heretofore or hereafter acquired roads, alleys, streets and other public ways abutting said real estate, whether before or after vacation thereof.

(T) "Rents": any and all present and future rents, issues, avails, profits and proceeds of or from the Premises, the Leases and/or the Fixtures and Equipment.

## II.

### CONVEYANCE

2.1 To secure the payment by Borrower of Mortgagor's Liabilities and the performance by Borrower of Mortgagor's Obligations, Mortgagor hereby irrevocably GRANTS, BARGAINS, SELLS, CONVEYS, MORTGAGES AND CONFIRMS TO MORTGAGEE the Mortgaged Property for the purposes and uses set forth in this Mortgage; provided, nevertheless, that if Borrower, its successors or assigns, shall satisfy, discharge and otherwise pay to Mortgagee, its successors or assigns, in full, Mortgagor's Liabilities and keep and perform all of Mortgagor's Obligations, then this Mortgage shall become null and void and shall be released promptly at Mortgagor's and/or Borrower's expense, to the extent permitted by law.

2.2 This Mortgage shall operate as and constitute a security agreement with respect to that portion of the Mortgaged Property constituting property or interests in property, whether real or personal, tangible or intangible, which are subject to the priority and perfection of security interest provisions of the Uniform Commercial Code of the state in which the Premises is located or any similar and applicable law, statute, code or other governing body of law. Therefore, to secure the payment by Borrower of Mortgagor's Liabilities and the performance by Borrower of Mortgagor's Obligations, Mortgagor hereby grants to Mortgagee a security interest in the Mortgaged Property.

2.3 Mortgagor, within twenty (20) days after request by Mortgagee therefor, will certify, in writing, to Mortgagee, or to any assignee of this Mortgage, the amount of principal and interest then owing and unpaid under the Loan Documents and/or the Other Agreements (which certification as to interest may be based on the most recent statement for interest received by Mortgagor) and whether Mortgagor has or asserts any offsets or defenses thereto and such other matters as Mortgagee deems reasonably necessary.

2.4 Mortgagor, promptly upon request by Mortgagee, at Mortgagor's sole expense, will make, execute and deliver and/or will cause to be made, executed and delivered to and/or for the benefit of Mortgagee, in form and substance reasonably acceptable to Mortgagee, all Documents that Mortgagee is advised are and/or deems reasonably necessary or appropriate to evidence, document or

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conclude the transactions described in and/or contemplated by this Mortgage, the Loan Documents or the Other Agreements or required to perfect or continue perfected, as valid Encumbrances, the Encumbrances granted herein or in the Other Agreements by Mortgagor to Mortgagee upon the Mortgaged Property. "Documents" means any mortgage, deed of trust or similar instrument, assignment of leases, assignment of rents, note, security agreement, guaranty, financing statement, assignment of insurance, loss payable clause, mortgage title insurance policy, letter of opinion, waiver letter, estoppel letter, consent letter, non-offset letter, insurance certificate, appraisal, survey and any other similar such agreements, instruments or documents.

## III.

### COVENANTS, WARRANTIES AND REPRESENTATIONS

3.1 Mortgagor covenants with and warrants and represents to Mortgagee as follows:

(A) Mortgagor promptly will pay, or cause to be paid, when due or declared due, Mortgagor's Liabilities and promptly, fully and faithfully will perform, discharge, observe and comply with each and every of Mortgagor's obligations.

(B) Mortgagor now has and hereafter shall maintain the standing, right, power and lawful authority to own the Mortgaged Property, to carry on the business of and operate the Mortgaged Property, to enter into, execute and deliver this Mortgage, the Loan Documents and the Other Agreements to Mortgagee, to encumber the Mortgaged Property to Mortgagee as provided herein or in the Other Agreements and to perform all of Mortgagor's Obligations and to consummate all of the transactions described in or contemplated by this Mortgage, the Loan Documents and the Other Agreements.

(C) The execution, delivery and performance by Mortgagor of and under this Mortgage and the Other Agreements relating to the Premises does not and will not constitute a violation of any applicable law and does not and will not conflict with or result in a default or breach of or under or an acceleration of any obligation arising, existing or created by or under any agreement, instrument, document, mortgage, deed, trust deed, note, judgment, order, award, decree or other restriction to which Mortgagor or any of the Mortgaged Property is or hereafter shall become a party or by which Mortgagor or any of the Mortgaged Property is or hereafter shall become bound or any applicable law or regulatory provision now or hereafter affecting Mortgagor or any of the Mortgaged Property.

(D) Mortgagor has duly filed and shall continue timely to file, when due, all federal, state and other governmental tax

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and similar returns which Mortgagor is required by law to file. Mortgagee agrees that the preceding sentence shall not be deemed to obligate Mortgagor to file such returns if Mortgagor is in good faith diligently protesting filing of same so long as such contest stays the date that the filing is required to be made. All taxes and other sums which are shown to be payable under such returns have been and shall be timely and fully paid and Mortgagor shall maintain adequate reserves in amounts to pay fully all such liabilities which hereafter may accrue.

(E) All of the Leases, if any, are and shall remain free from default on the part of Mortgagor and are valid and enforceable in accordance with their terms. Except for security deposits provided for under the Leases, and revealed by Mortgagor to Mortgagee in writing, no advance payments other than rental payments made one month in advance have been or shall be made thereunder.

(F) Except as disclosed in the Mortgage, there is no litigation, action, claim or proceeding pending or threatened against Mortgagor which might, in any way, manner or respect, materially or adversely affect the Mortgaged Property, the operation or the business thereof, Mortgagee's Encumbrances thereon, the collectibility of the obligations under the Loan Documents and/or the Other Agreements, the ability of Mortgagor to repay the obligations under the Loan Documents and/or the Other Agreements or the financial condition of the Mortgaged Property or the operation or business thereof.

(G) The Mortgaged Property is in good condition, ordinary wear and tear excepted.

(H) Mortgagor and the Mortgaged Property possess and hold and shall maintain adequate properties, interests in properties, leases, licenses, franchises, rights and governmental and other permits, certificates, consents and approvals reasonably necessary to conduct and operate the business of Mortgagor. None of the foregoing contain or shall contain any term or condition that is materially burdensome to said business or materially different than those of the foregoing customarily possessed or held by other parties conducting or operating a similar business.

(I) There does not exist and hereafter there shall not arise any default or breach of or under any agreement, instrument or document for borrowed money by which Mortgagor or the Mortgaged Property is bound or obligated.

(J) The location, existence and use of the Premises and the Equipment are and shall remain in compliance in all material respects with all applicable laws, rules, ordinances and regulations, including, without limitation, building and zoning laws, and all covenants and restrictions of record.

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(K) Mortgagor is and shall remain in peaceful possession of and will forever warrant and defend the Mortgaged Property from and against any and all claims thereon or thereto of any and all parties.

(L) Mortgagor will save and hold Mortgagee harmless of and from any and all damage, loss, cost and expense, including, without limitation, reasonable attorneys' fees, costs and expenses, incurred by reason of or arising from or on account of or in connection with any suit or proceeding, threatened, filed and/or pending, in or to which Mortgagee is or may become or may have to become a party by reason of or arising from or on account of or in connection with Mortgagor's Liabilities, Mortgagor's Obligations, this Mortgage, the Loan Documents or the Other Agreements. The foregoing indemnity shall not include matters arising solely out of the actions of Mortgagee after Mortgagee has taken possession of the Premises.

(M) The execution and delivery of this Mortgage, the Loan Documents and Other Agreements and any other documents or instruments to be executed and delivered by Mortgagor pursuant hereto, the consummation of the transactions herein or therein contemplated, in compliance with the terms and provisions thereof, will not (i) to the best of Mortgagor's knowledge, violate any presently existing provisions of applicable law or any presently existing applicable regulation, order, writ, injunction or decree of any court or governmental department, commission, board, bureau, agency or instrumentality, or (ii) conflict or be inconsistent with, or result in any breach of, any of the terms, covenants, conditions or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, instrument, document, agreement or contract of any kind to which Mortgagor is a party or by which Mortgagor may be bound.

(N) To the best of Mortgagor's knowledge, there are no contracts or agreements (either oral or written) affecting the Premises, including, without limitation, leases, tenancies or other contracts or agreements relating to the maintenance, development or management thereof, except as heretofore disclosed to Mortgagee in writing. Mortgagor has heretofore furnished Mortgagee with true and correct copies of all of such contracts or agreements.

(O) Mortgagor has not received any notice from any governmental or quasi-governmental body or agency or from any person or entity with respect to (and the Mortgagor does not know of) any actual or threatened taking of the Premises, or any portion thereof, for any public or quasi-public purpose by the exercise of the right of condemnation or eminent domain.

3.2 Mortgagor covenants with and warrants and represents to Mortgagee that Mortgagor is lawfully seized, possessed and the owner of and has good and indefeasible, marketable fee-simple title



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to the Mortgaged Property, free and clear of all Encumbrances except (i) the Encumbrances of Mortgagee, (ii) those Encumbrances described on Exhibit "B" attached hereto and made a part hereof, (iii) those Encumbrances permitted under the terms and provisions of the Loan Documents and (iv) existing Leases to tenants in possession of portion of the Premises.

3.3 (A) Mortgagor will not change the use or character of or abandon the Mortgaged Property and at all times hereafter shall keep the Mortgaged Property in good condition and repair and will not commit or suffer waste and will make all necessary repairs, replacements and renewals (including the replacement of any items of the Equipment) to the Mortgaged Property so that the value and operating efficiency thereof shall at all times hereafter be maintained and preserved. Mortgagor shall not remove any fixture or demolish any building or improvement locate in or on the Premises without replacing same with one of equal or better quality and utility. Mortgagor shall pay for and complete, within a reasonable time, any building or improvement at any time in the process of erection upon the Premises, shall refrain from impairing or diminishing the value of the Mortgaged Property, shall make no material alterations to the Mortgaged Property which in the reasonable opinion of Mortgagee diminishes its value. Mortgagor shall promptly repair, restore or rebuild any building or improvement now or hereafter on the Premises which may become damaged, destroyed or taken in any eminent domain proceeding, provided insurance proceeds or condemnation awards, as applicable, are available to complete such repair, restoration or rebuilding. Mortgagor shall comply with all requirements of applicable law and all applicable municipal ordinances governing the Mortgaged Property and the use thereof. Mortgagor shall permit Mortgagee, and its agents, upon demand, access to and to inspect the Mortgaged Property at all reasonable times in accordance with the provisions of Paragraph 4.3 of the Loan Documents.

(B) Subject to the provisions of the Loan Documents, Mortgagor promptly shall pay and discharge, as and when due and payable, before any penalty attaches, all Charges, that may be at any time levied, assessed or imposed upon or against the Mortgaged Property, or any part thereof, and shall deliver to Mortgagee duplicate receipts evidencing payment thereof before delinquency. Subject to the provisions of the Loan Documents, to prevent default hereunder, Mortgagor may pay in full, under protest, and in the manner provided by statute, any Charge which Mortgagor may desire to contest. If Mortgagee is required by legislative enactment or judicial decision to pay any Charge in or to any state, municipality or government on the Mortgaged Property (or on any interest therein), this Mortgage, the Loan Documents, the Other Agreements or Mortgagor's Liabilities, all of Mortgagor's Liabilities shall become and be due and payable, at the election of Mortgagee, thirty (30) days after the mailing of notice of such election to Mortgagor; provided, however, said election and right to elect will be unavailing and this Mortgage, the Loan Documents

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and the Other Agreements will be and remain in full force and effect as though said law had not been enacted or said decision had not been rendered if, notwithstanding such law or decision, Mortgagor lawfully may pay such Charge to or for Mortgagee and does, in fact, pay the same when payable. If at any time the United States of America shall require internal revenue stamps to be affixed to this Mortgage, the Loan Documents or the Other Agreements, Mortgagor will pay for the same, together with any interest or penalties imposed in connection therewith.

(C) Mortgagor shall keep the Mortgaged Property free and clear of all Encumbrances (including, without limitation, mechanics liens and other similar liens or claims for liens) of any and every kind and nature except those described in Paragraph 3.2 above, and, subject to the provisions of the Loan Documents, shall promptly pay or cause to be paid, as and when due and payable or when declared due and payable, any indebtedness which may become or be secured by such an Encumbrance and, immediately upon request by Mortgagee, shall deliver to Mortgagee evidence satisfactory to Mortgagee of the payment and discharge thereof. To prevent default hereunder, Mortgagor may, subject to the provisions of the Loan Documents, indemnify Mortgagee, by a means determined solely by and acceptable to Mortgagee, against loss by reason of such an Encumbrance which Mortgagor may desire to contest. If, in accordance with the terms of this Mortgage, Mortgagee makes payment of any such Encumbrance, Mortgagee shall be subrogated to the rights of such claimant, notwithstanding that the Encumbrance may be released of record.

(D) Mortgagor shall not without the prior written consent of Mortgagee, at any time or times hereafter, pledge, hypothecate or otherwise encumber all or any portion of the Mortgaged Property or Mortgagor's interest therein. Without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld, Mortgagor shall not sell or otherwise transfer all or any portion of the Mortgaged Property or Mortgagor's interest therein. Mortgagee, in its sole discretion, may deliver or withhold such consent based, among other things, upon Mortgagee's determination, to its sole satisfaction, of the creditworthiness and ability of the proposed assignee, transferee or purchaser to satisfy, perform and discharge Mortgagor's Liabilities in a proper and timely fashion and manner. Mortgagee, in its sole discretion, may condition the delivery of its consent upon Mortgagor agreeing to provide for such additional terms and conditions in the Loan Documents, Mortgage or Other Agreements as may be acceptable to Mortgagee, in its sole discretion.

(E) Except with respect to any property owned by any tenants, all present and future items of fixtures, equipment, furnishings or other tangible personal property (whether or not constituting a part of the Mortgaged Property) related or necessary to or used or usable in connection with any present or future building or improvement on the Premises, or the operation or

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business thereof, are and will be owned free and clear of all Encumbrances except those described in Paragraph 3.2 above, and Mortgagor will not acquire any such property subject to any Encumbrance except those Encumbrances described in Paragraph 3.2 above. Within five (5) days after request by Mortgagee, Mortgagor will execute and deliver to Mortgagee an additional security agreement and financing statement, in form and substance acceptable to Mortgagee, covering all such property.

3.4 If Mortgagor, promptly after written demand from Mortgagee, shall neglect or refuse to keep the Mortgaged Property in good operating condition and repair or to replace or maintain the same as herein agreed, to pay the premiums for the insurance which is required to be maintained hereunder, to pay and discharge all Encumbrances as herein agreed or otherwise defaults in the performance of Mortgagor's Obligations, Mortgagee, at its sole election, may cause such repairs or replacements to be made, obtain such insurance, pay such Encumbrances or perform such Obligations. Any amounts paid by Mortgagee in taking such action (together with interest thereon at the rate equal to the Default Rate, shall be due and payable by Mortgagor to Mortgagee upon demand, and, until paid, shall constitute a part of Mortgagor's Liabilities secured by this Mortgage. Such advances by Mortgagee shall not be deemed to cure any Event of Default hereunder or impair any right or remedy consequent thereon. The exercise of the right to take such action shall be optional with Mortgagee and not obligatory upon Mortgagor and Mortgagee shall not in any case be liable to Mortgagor for failure or refusal to exercise any such right, in making any payments pursuant to the exercise of any such right, and Mortgagee may rely upon any bills delivered to it by Mortgagor or any such payee and shall not be liable for any failure to make payments in any amounts other than as set forth in any such bills.

## IV.

### TAXES, INSURANCE AND CONDEMNATION

4.1 (A) Mortgagor, at all times, shall keep and maintain the Mortgaged Property fully insured (without co-insurance) against loss or damage by, or abatement of rental income resulting from, fire and such other hazards, casualties and contingencies as Mortgagee, from time to time, may acquire in companies, form, amounts and for such periods as are reasonably satisfactory to Mortgagee, but, in no event, for not less than the greater of the full insurable value or the full replacement value of the Mortgaged Property. All such policies and renewals thereof shall contain, in form and substance reasonably acceptable to Mortgagee, standard mortgagee loss payable clauses naming Mortgagee as "Mortgagee", as well as a standard waiver of subrogation endorsement and upon Mortgagee's request therefor, copies shall be delivered, as issued, to Mortgagee, with premiums therefor paid in full by Mortgagor.

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(a) toward the alteration, reconstruction, repair or restoration of the Mortgaged Property or any portion thereof; or

(b) as a payment on account of Mortgagor's Liabilities (without affecting the amount or time of subsequent payments required to be made by Mortgagor to Mortgagee under the Loan Documents or the Other Agreements), whether or not then due or payable;

or,

(2) deliver the same to Mortgagor.

4.2 Upon the written request of Mortgagee, Mortgagor shall establish with Mortgagee tax and insurance escrows for the deposit of funds for the payment of Charges and insurance premiums required to be paid pursuant to this Mortgage with respect to the Mortgaged Property. Such escrows shall be in such amounts and shall be subject to such terms and conditions as Mortgagee, in its sole and absolute discretion, may determine.

4.3 (A) All awards now or hereafter made by any public or quasi-public authority to or for the benefit of Mortgagor in any way, manner or respect affecting, arising from or relating to the Mortgaged Property, or any portion thereof, by virtue of an exercise of the right of eminent domain by such authority (including, without limitation, any award for taking of title, possession or right of access to a public way, or for any change of grade of streets affecting the Mortgaged Property) hereby are assigned to Mortgagee as additional security for the payment of Mortgagor's Liabilities (and for such purpose, Mortgagor hereby grants to Mortgagee a security interest therein).

(B) Mortgagee shall and hereby is authorized, directed and empowered to collect and receive the proceeds of any such awards from the authorities making the same and to give proper receipts thereof (in Mortgagor's name, in Mortgagee's name, or in both names), and may, in its sole and absolute discretion, use such proceeds for any one or more of the following purposes:

(1) apply the same, or any part thereof, to Mortgagor's Liabilities, whether or not then matured and without affecting the amount or time of subsequent payments required to be made by Mortgagor to Mortgagee under the Loan Documents or the Other Agreements;

(2) use the same, or any part thereof, to satisfy, perform or discharge any of Mortgagor's Obligations;

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5.3 Unless Mortgagee notifies Mortgagor thereof in writing that it dispenses with any one or more of the following requirements, Mortgagor shall: (a) promptly upon Mortgagor's receipt or learning thereof, inform Mortgagee, in writing, of any assertion of any material claims, offsets or counterclaims by any of the obligors of the Leases; (b) except upon Mortgagee's prior written consent thereto which will not be unreasonably withheld or delayed, not permit or agree to any extension, compromise or settlement or make any material change or modification of any kind or nature of or with respect to the Leases or the terms thereof; and (c) promptly upon Mortgagor's receipt or learning thereof, furnish to and inform Mortgagee of all material adverse information relating to or affecting the financial condition of any obligor of any Lease.

5.4 Within fifteen (15) days after demand therefor by Mortgagee, (a) Mortgagor shall deliver to Mortgagee, in form and substance reasonably acceptable to Mortgagee, a detailed certified rent roll of any and all the Leases and such other matters and information relating thereto as Mortgagee may reasonably request and (b) give a notice to any obligor of any Lease stating the existence of the assignment of rents set forth herein and an unconditional authorization to such obligor to rely on a written statement from Mortgagee directing obligor to pay rents directly to Mortgagee. Mortgagee agrees to enter into nondisturbance and attornment agreements, in form and substance reasonably satisfactory to Mortgagee, upon Mortgagor's written request, provided that no Event of Default has occurred hereunder.

5.5 Upon the occurrence of an Event of Default under this Mortgage:

(A) Immediately upon demand by Mortgagee, Mortgagor shall deliver to Mortgagee the originals of any Lease, with appropriate endorsement and/or other specific evidence of assignment thereto to Mortgagee, which endorsement and/or assignment shall be in form and substance reasonably acceptable to Mortgagee.

(B) Mortgagee, then or at any time or times thereafter, at its sole election, without notice thereof to Mortgagor, may notify any or all of the obligors of any Lease that the Leases have been assigned to Mortgagee and Mortgagee (in its name, in the name of Mortgagor or in both names) may direct said obligors thereafter to make all payments due from them under the Leases directly to Mortgagee.

(C) Mortgagor, immediately upon demand by Mortgagee, irrevocably, shall direct any and all obligors of any Lease then and thereafter to make all payments then and thereafter due from them under the Leases directly to Mortgagee.

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(D) Mortgagee shall have the right at any time or time thereafter, at its sole election, without notice thereof to Mortgagor, to enforce the terms of any Lease and obtain payment of and collect any Rent, by legal proceedings or otherwise, in the name of Mortgagor, Mortgagee or in both names.

(E) Mortgagor, irrevocably, hereby designates, makes, constitutes and appoints Mortgagee (and all Persons designated by Mortgagee) as Mortgagor's true and lawful attorney and agent-in-fact, with power, without notice to Mortgagor and at such time or times thereafter as Mortgagee, as its sole election, may determine, in the name of Mortgagor, Mortgagee or in both names: (i) to demand payment of any Rent and performance of any Lease; (ii) to enforce payment of any Rent and performance of any Lease, by legal proceedings or otherwise; (iii) to exercise any or all of Mortgagor's rights, interests and remedies in and under any Lease and to collect any Rent; (iv) to settle, adjust, compromise, extend or renew any Lease and/or any Rent; (v) to settle, adjust or compromise any legal proceeding brought to collect any Rent or obtain performance of any Lease; (vi) to take control, in any manner, of any Rent; (vii) to prepare, file and sign Mortgagor's name on any Proof of Claim in bankruptcy, or similar document in a similar proceeding against any obligor of any Lease; (viii) to endorse the name of Mortgagor upon any payments or proceeds of any Rent and to deposit the same to the account of Mortgagee; and (ix) to do all acts and things necessary, in Mortgagee's sole discretion, to carry out any or all of the foregoing. The foregoing power of attorney shall be deemed coupled with an interest.

(F) Any and all of the foregoing payments and proceeds received by Mortgagee shall be utilized by Mortgagee, at its sole election and in its sole discretion, for any one or more of the following purposes: (i) to be held by Mortgagee as additional collateral for the payment of Mortgagor's Liabilities; (ii) to be applied to Mortgagor's Liabilities, in such manner and fashion and to such portions thereof as Mortgagee, at its sole election, shall determine; (iii) to be applied to such obligations of Mortgagor or the Mortgaged Property or the operation or business thereof as Mortgagee, at its sole election, shall determine appropriate or warranted under the then existing circumstances; or (iv) to be remitted to Mortgagor.

## VI.

### ENVIRONMENTAL MATTERS

For purposes of this Article VI "Environmental Laws" means all federal, state and local laws including statutes, regulations, ordinances, codes, rules and other governmental restrictions and requirements relating to the discharge of air pollutants, water

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pollutants or process waste water or otherwise relating to the environment or hazardous substances including, but not limited to, the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Response Compensation and Liability Act of 1980, the Toxic Substance Control Act, the Emergency Planning and Community Right to Know Act, as each may be amended from time to time, regulations of the Environmental Protection Agency, regulations of the Nuclear Regulatory Commission, and regulations of any state department of natural resources or state environmental protection agency now or at any time hereafter in effect.

6.1 The Mortgagor represents and warrants that:

(A) The Mortgagor is not a party to any litigation or administrative proceeding, nor so far as is known by the Mortgagor is any litigation or administrative proceeding threatened against it, which in either case (i) asserts or alleges the Mortgagor violated Environmental Law, (ii) asserts or alleges that the Mortgagor is required to cleanup, remove, or take remedial or other response action due to the disposal, depositing, discharge, leaking or other release of any hazardous substances or materials, (iii) asserts or alleges that the Mortgagor is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action which arises out of or is related to the disposal, depositing, discharge, leaking or other release of any hazardous substances or materials by the Mortgagor.

(B) With respect to the period during which the Mortgagor owned or occupied its real estate, and to the Mortgagor's best knowledge with respect to the time before the Mortgagor owned or occupied its real estate, no person or entity has caused or permitted materials to be stored, deposited, treated, recycled or disposed of on, under or at any real estate owned or occupied by the Mortgagor, which materials, if known to be present, would require cleanup, removal or some other remedial action under Environmental Laws.

(C) There are not now, nor to the Mortgagor's best knowledge have there ever been tanks or other facilities on, under, or at any real estate owned or occupied by the Mortgagor which contained materials which, if known to be present in soils or ground water, would require cleanup, removal or some other remedial action under Environmental Laws.

(D) To the best of the Mortgagor's knowledge, there are no conditions existing currently or likely to exist during the term of this Agreement which would subject the Mortgagor to damages, penalties, injunctive relief or cleanup costs under any Environmental Laws or which require or are likely to require cleanup, removal, remedial action or other response pursuant to Environmental Laws by the Mortgagor.

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(E) To the best of the Mortgagor's knowledge there are no proposed or pending changes in Environmental Laws that would have a material adverse impact upon the Mortgagor.

(F) The Mortgagor is not subject to any judgment, decree, order or citation related to or arising out of Environmental Laws and has not received notice that it is, a potentially responsible party from any governmental body or agency in a matter arising under any Environmental Laws.

(G) The Mortgagor has all material permits, licenses and approvals required under Environmental Laws.

(H) The Mortgagor covenants that it shall timely comply in all material respects with all Environmental Laws.

(I) The Mortgagor covenants that it shall provide to the Mortgagee, immediately upon receipt, copies of any correspondence, notice, pleading, citation, indictment, complaint, order, decree, or other document from any source asserting or alleging a circumstance or condition which requires or may require a financial contribution by the Mortgagor or a cleanup, removal, remedial action, or other substantive response by or on the part of the Mortgagor under Environmental Laws or which seeks damages or civil, criminal or punitive penalties from the Mortgagor for an alleged violation of Environmental Laws.

(J) The Mortgagor covenants that it shall advise the Mortgagee in writing as soon as the Mortgagor becomes aware of any condition or circumstance which makes the environmental warranties contained in this Section 6.1 incomplete or inaccurate.

6.2 In addition to the foregoing representations, the Mortgagor hereby represents and warrants to the Mortgagee as follows:

(A) The Mortgagor shall maintain in full force and effect (a) its corporate existence and (b) all licenses, bonds, franchises, leases, patents, contracts and other rights necessary to the profitable conduct of its business, including, without limitation, all notices, permits or licenses, if any, filed or obtained with regard to compliance with environmental laws. The Mortgagor shall continue in and limit its operations to the same general line or type of business as that presently conducted by it and shall comply in all material respects with all applicable laws and regulations or all federal, state or local governmental authorities, including, without limitation, all environmental laws.

(B) The Mortgagor shall use its best efforts to cause any and all lessees or other operators of the real property of the Mortgagor to conduct their respective businesses so as to comply in all material respects with all environmental laws; provided,



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however, that nothing contained in this Section shall prevent the Mortgagor from contesting, in good faith and by appropriate legal proceedings, any such law, regulation or interpretation or application thereof, provided, further, that the Mortgagor shall comply with the order of any court or other governmental body of applicable jurisdiction relating to such environmental laws unless the Mortgagor shall currently be prosecuting an appeal or proceedings for review and shall have secured a stay of enforcement or execution or other arrangement postponing enforcement or execution pending such appeal or proceedings for review.

(C) The Mortgagor shall use its best effort to cause all lessees or other operators of the real property of the Mortgagor to dispose of any and all hazardous substances or solid waste generated at such real property only at facilities and by carriers maintaining, and to the best of the Mortgagor's knowledge, operating in compliance with valid permits under RCRA and any other environmental law, and shall use its best efforts to obtain certificates of disposal from all contractors employed in connection with the transport or disposal of such hazardous substances or solid waste.

(D) If the Mortgagor shall receive:

(1) notice that any alleged material violation of any environmental law may have been committed or is about to be committed by the Mortgagor;

(2) notice that any administrative or judicial complaint or order has been filed or is about to be filed against the Mortgagor alleging material violations of any environmental law or requiring the Mortgagor or any such subsidiary to take any action in connection with the release or threatened release of hazardous substances or solid waste into the environment, or

(3) any notice from a federal, state or local governmental agency or private party alleging that the Mortgagor may be liable or responsible for costs associated with a response to or cleanup of a release or disposal of a hazardous substance or solid waste into the environment or any damages caused thereby, including without limitation any notice that the Mortgagee is a "potentially responsible party" as defined by CERCLA. The Mortgagor shall provide the Mortgagee with a copy of such notice within ten (10) days of the Mortgagor's receipt thereof. The Mortgagor shall provide the Mortgagee with notice of the enactment or promulgation of any environmental law which may result in a material adverse change in the business, financial condition, or operations of the Mortgagor within fifteen (15) days after the Mortgagor obtains knowledge thereof.

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6.3 The Mortgagor, for itself and its successors and assigns, hereby undertakes to protect, indemnify and save Mortgagee and its successors and assigns from any and all liability, loss or damage that Mortgagee or its successors and assigns may suffer as the result of claims, demands, costs, or judgments against any or all of them, all as a result of a claim, demand, cost or judgment made against Mortgagee by any third party, including, without limitation, a governmental authority, arising from any actual or alleged violation of any environmental law, including without limitation any deposit, storage, disposal, burial, dumping, injecting, spilling, leaking or other placement or release in or on the property of asbestos or a hazardous or toxic waste, substance or chemical as defined by 42 U.S.C. Section 9601, et seq., as amended, Title III of the Emergency Planning Community Right to Know Act of 1986, regulations of the Department of Transportation, or any other state or federal statute, rule or regulation regarding environmental cleanup or disposal of hazardous substances, including, but not limited to:

(A) Liability for costs of removal or remedial action incurred by the United States Government or the State of Illinois (the "State"), or response costs incurred by any other person, or damages from injury to, destruction of, or loss of natural resources, including the reasonable costs of assessing such injury, destruction or loss, incurred pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601, et seq., as amended, the Occupational Safety and Health Act of 1970, 29 U.S.C. Section 651, et seq., as amended, the Solid Waste Disposal Act, 42 U.S.C. Section 6901, et seq., as amended, Title III of the Emergency Planning Community Right to Know Act of 1986, regulations of the Department of Transportation, or any other state or federal statute, rule or regulation regarding environmental cleanup or disposal of hazardous substances;

(B) Liability for cleanup costs, fines, damages incurred pursuant to the provisions of any state statute, rule or regulation or local rule, ordinance or regulation regarding environmental, petroleum product, or other hazardous waste cleanup, including, without limitation, the provisions of the state law and any regulations promulgated thereunder;

(C) Liability for cost and expenses of abatement, correction or cleanup, fines, damages, response costs or penalties which arise from the provisions of any other statute, state or federal; and

(D) Liability for personal injury or property damage arising under any statutory or common law tort theory, including, without limitation, damages assessed for the maintenance of any public or private nuisance, response costs, or for the carrying on of any abnormally dangerous activity.

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## VII.

### DEFAULT

7.1 The occurrence of any one or more of the following events shall constitute an "Event of Default" under this Mortgage:

(A) if Borrower fails or neglects to perform, keep or observe any of Mortgagor's Obligations and the continuance of such failure or neglect for a period of fifteen (15) business days after written notice from Mortgagee to Mortgagor and Borrower, provided, however, that if the same cannot be cured within said period, such failure or neglect shall not be deemed to be an Event of Default hereunder if, within such fifteen (15) day period, Mortgagor institutes corrective action acceptable to Mortgagee and diligently pursues such corrective action until such failure or neglect is corrected;

(B) if any material written statement, report or certificate made or delivered by Mortgagor and/or Borrower or any of its officers, employees or agents, to Mortgagee is not true and correct in any material respect on the date made;

(C) if Borrower fails to pay Mortgagor's Liabilities, when due and payable or declared due and payable;

(D) if the Mortgaged Property or any other of Mortgagor's and/or Borrower's assets are attached, seized, subjected to a writ of distress warrant, or are levied upon, or come within the possession of any receiver, trustee, custodian or assignee for the benefit of creditors and the same is not terminated or dismissed within sixty (60) days thereafter;

(E) if a petition under any section or chapter of the Bankruptcy Reform Act of 1978, as amended, or any similar state or federal law or regulation shall be filed by Mortgagor and/or Borrower or if Mortgagor and/or Borrower shall make an assignment for the benefit of its creditors or if any case or proceeding is filed by Mortgagor for its dissolution or liquidation;

(F) if Mortgagor and/or Borrower is enjoined, restrained or in any way prevented by court order from conducting all or any material part of its business affairs or if a petition under any section or chapter of the Bankruptcy Reform Act of 1978, as amended, or any similar state or federal law or regulation is filed against Mortgagor and/or Borrower or if any case or proceeding is filed against Mortgagor and/or Borrower for its dissolution or liquidation and such injunction, restraint or petition is not dismissed or stayed within sixty (60) days after the entry or filing thereof;

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(G) if an application is made by Mortgagor and/or Borrower for the appointment of a receiver, trustee or custodian for the Mortgaged Property or any other of Mortgagor's and/or Borrower's assets;

(H) if an application is made by any Person other than Mortgagor and/or Borrower for the appointment of a receiver, trustee, or custodian for the Mortgaged Property or any other of Mortgagor's and/or Borrower's assets and the same is not dismissed within sixty (60) days after the application therefor;

(I) if a notice of any Charge is filed of record with respect to all or any of Mortgagor's and/or Borrower's assets, or, subject to the terms and provisions of the Loan Documents, if any Charge at any time or times hereafter becomes an Encumbrance upon the Mortgaged Property or any other of Mortgagor's and/or Borrower's assets and the same is not released or contested in such manner as to stay the enforcement thereof within sixty (60) days after the same becomes an Encumbrance;

(J) the occurrence of a default or an Event of Default under any of the Other Agreements, which is not cured within the time, if any, specified therefor in such other Agreement; or

(K) the occurrence of an Event of Default under the Loan Documents which is not cured within the time, if any, specified therefor in such Loan Documents.

7.2 Any default by Mortgagor and/or Borrower in the performance or observance of any covenant, promise, condition or agreement hereof shall be deemed an Event of Default under each of the Documents, entitling the Mortgagee to exercise all or any remedies available to Mortgagee under the terms of any or all Documents, and any default or Event of Default under any other Document shall be deemed a default hereunder, entitling Mortgagee to exercise any or all remedies provided for herein. Failure by Mortgagee to exercise any right which it may have hereunder shall not be deemed a waiver thereof unless so agreed to in writing by Mortgagee, and the waiver by Mortgagee of any default by Mortgagor and/or Borrower hereunder shall not constitute a continuing waiver or a waiver of any other default or of the same default on any future occasion.

7.3 Upon the occurrence of an Event of Default, without notice to or demand of Mortgagor and/or Borrower, all of Mortgagor's Liabilities shall become immediately due and payable, and Mortgagee, in its sole discretion and at its sole election, without notice of such election, and without demand, may do any one or more of the following:

(A) Collect Mortgagor's Liabilities at once by foreclosure or otherwise, without notice of broken covenant or

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condition (and in case of such Event of Default and the exercise of such option, Mortgagor's Liabilities shall bear interest, from the date of such Event of Default, at the rate provided in Paragraph 3.4 hereof).

(B) To the extent permitted by law, either with or without process of law, forcibly or otherwise, enter upon the take immediate possession of the Mortgaged Property, expel and remove any Persons, goods or chattels occupying or upon the same, receive any and all Rents, and issue receipts therefor, manage, control and operate the Mortgaged Property as fully as Mortgagor might do if in possession thereof, including, without limitation, the making of all repairs and replacements deemed necessary by Mortgagee and the leasing of the same, or any part thereof, from time to time and, after deducting all reasonable attorneys' fees and all costs and expenses incurred in the protection, care, maintenance, management and operation of the Mortgaged Property, apply the remaining net income, if any, to Mortgagor's Liabilities or upon any deficiency decree entered in any foreclosure proceeding. In the event that there shall be excess Rents after payment of all such sums set forth in this Paragraph 7.3(B), then such excess shall be remitted to Mortgagor by Mortgagee. At the option of Mortgagee, such entry and taking of possession shall, to the extent permitted by law, be accomplished either by actual entry and possession of the Mortgaged Property to Mortgagee immediately upon the occurrence of an Event of Default. If Mortgagor shall remain in physical possession of the Mortgaged Property, or any part thereof, after any such Event of Default, such possession shall, to the extent permitted by law, be as a tenant at sufferance of Mortgagee, and Mortgagor agrees to pay to Mortgagee, or to any receiver appointed as provided below, after such Event of Default a reasonable monthly rental for the Mortgaged Property, or the part thereof so occupied by Mortgagor to be applied as provided above in the first sentence of this Subparagraph, and to be paid in advance on the first day of each calendar month, and, in default of so doing, Mortgagor may be disposed by the usual summary proceedings. In the event Mortgagor shall so remain in possession of all, or any part, of the Mortgaged Premises, said reasonable monthly rental shall be in amounts established by Mortgagee in its sole discretion. This covenant shall, to the extent permitted by law, be effective irrespective of whether any foreclosure proceeding shall have been instituted and irrespective of any application for, or appointment of, a receiver.

(C) File one or more suits at law or in equity for the foreclosure of this Mortgage or to collect Mortgagor's Liabilities. In the event of the commencement of any such suit by Mortgagee, Mortgagee shall have the right, either before or after sale, without notice and without requiring bond (notice and bond being hereby waived), without regard to the solvency or insolvency of Mortgagor at the time of application and without regard to the then value of the Mortgaged Property or whether the same is then occupied, to make application for and obtain the appointment of a

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receiver for the Mortgaged Property. Such receiver shall have the power to collect any and all Rents during the pendency of such suit and, in case of a sale and a deficiency, during the full statutory period of redemption or not, as well as during any further times when Mortgagor, except for any and all intervention of such receiver, would be entitled to collect the Rents, and shall have all other powers which may be necessary or usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property. The Mortgagee may petition the court before which such suit is pending may from time to time to authorize the receiver to apply the net income in his hands in payment in whole or in part, of Mortgagor's Liabilities. In case of a sale pursuant to foreclosure, the Premises may be sold as one or more parcels in Mortgagee's sole discretion.

(D) In the event of the commencement of any suit by Mortgagee to foreclose this Mortgage, Mortgagee shall have the right to apply to the court in which such proceedings are pending for entry of an order placing Mortgagee in possession of the Mortgaged Property. In the event an order is entered pursuant to a law placing Mortgagee in possession of the Mortgaged Property, Mortgagee may thereupon enter upon and take immediate possession of the Mortgaged Property, expel and remove any Persons, goods or chattels occupying or upon the same, receive any and all Rents, and issue receipts therefor, manage, control and operate the Mortgaged Property, including, without limitation, make all repairs and replacements deemed necessary by Mortgagee and lease the same, or any part thereof, from time to time, and, after deducting all reasonable attorneys' fees and all costs and expenses incurred in the protection, care, maintenance, management and operation of the Mortgaged Property, apply the remaining net income, if any, to Mortgagor's Liabilities or upon any deficiency decree entered in such foreclosure proceedings. At the option of Mortgagee, such entry and taking of possession shall be accomplished either by actual entry and possession or by written notice of entry of the order placing Mortgagee in possession served personally upon or sent by registered mail to Mortgagor at the address of Mortgagor last appearing on the records of Mortgagee. If Mortgagor shall remain in physical possession of the Mortgaged Property after entry of an order placing Mortgagee in possession, Mortgagor's possession shall be as a tenant at sufferance of Mortgagee, and Mortgagor agrees to pay to Mortgagee, or to any other Person authorized by Mortgagee, after entry of such order, a reasonable monthly rental for the Mortgaged Property, or the part thereof so occupied by Mortgagor, to be applied as provided above in the first sentence of Subparagraph (C) and to be paid in advance on the first day of each calendar month, and, in default of so doing, Mortgagor may be dispossessed by the usual summary proceedings.

(E) Exercise any other remedies or rights permitted or provided under or by the laws or decisions of the State of Illinois (including all rights of a secured party under the Uniform

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Commercial Code of the State of Illinois), accruing to a Mortgagee and/or secured party upon a default by a Mortgagor and/or Debtor, or otherwise available in equity or under the Loan Documents and/or the Other Agreements.

7.4 Upon the occurrence of an Event of Default under this Mortgage, there will be added to and included as part of Mortgagor's Liabilities (and allowed in any decree for sale of the Mortgaged Property or in any judgment rendered upon this Mortgage, the Loan Documents and/or the Other Agreements) the following: all of the costs and expenses of taking possession of the Mortgaged Property and of the holding, using, leasing, maintaining, repairing, improving and selling the same, including, without limitation, the reasonable costs, charges, expenses and attorneys' fees specified in Paragraph 7.5 below; receivers' fees; any and all expenditures which may be paid or incurred by or on behalf of Mortgagee for appraisers' fees, documentary and expert evidence, stenographers; charges, publication costs, fees and expenses for examination of title, title searches, guaranty policies, Torrens certificates and similar data and assurances with respect to the title to the Mortgaged Property; and all other reasonable fees, costs and expenses which Mortgagee deems necessary to prosecute any remedy it has under this Mortgage, or to inform bidders at any sale which may be had pursuant to its rights hereunder, of the true condition of title or of the value of the Mortgaged Property. All such costs, charges, expenses, fees and other expenditures shall be a part of Mortgagor's Liabilities, secured by this Mortgage, payable on demand and shall bear interest at the rate specified in Paragraph 3.4 hereof from the date of Mortgagee's payment thereof until repaid to Mortgagee.

7.5 If foreclosure proceedings are instituted upon this Mortgage, or if Mortgagee shall be a party to, shall intervene, or file any petition, answer, motion or other pleading in any suit or proceeding relating to this Mortgage, the Loan Documents, the Other Agreements or Mortgagor's Liabilities, or if Mortgagee shall reasonably incur or pay any expenses, costs, charges or attorneys' fees by reason of the employment of counsel for advice with respect to this Mortgage, the Loan Documents, the Other Agreements or Mortgagor's Liabilities, and whether in court proceedings or otherwise, such expenses and all of Mortgagee's reasonable attorneys' fees shall be part of Mortgagor's Liabilities, secured by this Mortgage, payable on demand and shall bear interest at the rate specified in Paragraph 3.4 hereof from the date of Mortgagee's payment thereof until repaid to Mortgagee.

7.6 The proceeds of any foreclosure sale or trustee's sale of the Mortgaged Property shall be applied and distributed, first, on account of the fees, charges, costs and expenses described in Paragraph 7.4 above, second, to the balance of Mortgagor's Liabilities, and third, the surplus, if any, to Mortgagor.

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7.7 In the event of the commencement of judicial proceedings to foreclose this Mortgage, Mortgagor, on behalf of itself, its successors and assigns, and each and every Person it may legally bind acquiring any interest in or title to the Mortgaged Property subsequent to the date of this Mortgage: (a) to the fullest extent permitted by law, does hereby expressly waive any and all rights of appraisal, valuation, stay extension and redemption from trustee's sale or sale under any order or decree of foreclosure of this Mortgage; and (b) does hereby agree that when sale is had under any decree of foreclosure of this Mortgage, upon confirmation of such sale, the master in chancery, sheriff or other officer making such sale, or his successor in office, shall be and is authorized immediately to execute and deliver to any purchaser at such sale a deed conveying the Mortgaged Property, showing the amount paid therefor, or if purchased by the Person in whose favor the order or decree is entered, the amount of his bid therefor.

7.8 Mortgagee shall have the right from time to time to sue for any sums, whether interest, principal or any other sums required to be paid by or for the account of Borrower under the terms of this Mortgage, the Loan Documents or the Other Agreements, as the same become due under the Loan Documents, this Mortgage or the Other Agreements, or for any other of Mortgagor's Liabilities which shall become due, and without prejudice to the right of Mortgagee thereafter to bring an action of foreclosure, or any other action, for a default or defaults by Mortgagor existing at the time such earlier action was commenced.

7.9 No right or remedy of Mortgagee hereunder is exclusive of any other right or remedy hereunder or now or hereafter existing at law or in equity, but is cumulative and in addition thereto and Mortgagee may recover judgment thereon, issue execution therefor, and resort to every other right or remedy available at law or in equity, without first exhausting or affecting or impairing the security or any right or remedy afforded by this Mortgage. No delay in exercising, or omission to exercise, any such right or remedy will impair any such right or remedy or will be construed to be a waiver of any Event of Default by Mortgagor and/or Borrower hereunder, or acquiescence therein, nor will it affect any subsequent Event of Default hereunder by Mortgagor and/or Borrower of the same or different nature. Every such right or remedy may be exercised independently or concurrently, and when and so often as may be deemed expedient by Mortgagee. No terms or conditions contained in this Mortgage, the Loan Documents or the Other Agreements may be waived, altered or changed except as evidenced in writing signed by Mortgagor and/or Borrower and Mortgagee.

7.10 Mortgagee shall promptly release this Mortgage by proper instrument upon payment and discharge of all of Mortgagor's Liabilities, including all prepayment or like premiums, if any, provided for in the Loan Documents or the Other Agreements and payment of all costs, expenses and fees, including reasonable



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attorneys' fees, incurred by Mortgagee for the preparation, execution and/or recording of such release.

7.11 Upon the occurrence of an Event of Default and acceleration of the maturity of Mortgagor's Liabilities as provided herein, a tender of payment thereof by Borrower, or any other Person, or a payment thereof received upon or on account of a foreclosure of this Mortgage or Mortgagee's exercise of any of its other rights or remedies under this Mortgage, the Loan Documents, the Other Agreements or under any applicable law or in equity shall be deemed to be a voluntary prepayment made by Borrower of Mortgagor's Liabilities and, therefore, such payment must, to the extent permitted by law, include the premiums and other payments required under the prepayment privilege, if any, contained in the Loan Documents or the Other Agreements.

7.12 (A) Any agreements between Mortgagor and/or Borrower and Mortgagee are expressly limited so that, in no event whatsoever, whether by reason of disbursement of the proceeds of the loans secured hereby or otherwise, shall the amount paid or agreed to be paid to Mortgagee for the use, detention or forbearance of the loan proceeds to be disbursed exceed the highest lawful contract rate permissible under any law which a court of competent jurisdiction may deem applicable thereto.

(B) If fulfillment of any provision herein, in the Loan Documents or in the Other Agreements, at the time performance of such provision becomes due, involves exceeding such highest lawful contract rate, then ipso facto, the obligation to fulfill the same shall be reduced to such highest lawful contract rate. If by any circumstance Mortgagee shall ever receive as interest an amount which would exceed such highest lawful contract rate, the amount which may be deemed excessive interest shall be applied to the principal of Mortgagor's Liabilities and not to interest.

(C) Notwithstanding the terms and provisions of the Loan Documents, the terms and provisions of this Paragraph shall control all other terms and provisions contained herein, in the Loan Documents or in the Other Agreements.

7.13 Any failure of Mortgagee to insist upon the strict performance by Mortgagor and/or Borrower of any of the terms and provisions of this Mortgage, the Other Agreements or the Loan Documents shall not be deemed to be a waiver of any of the terms and provisions thereof, and Mortgagee, notwithstanding any such failure, shall have the right at any time or times thereafter to insist upon the strict performance by Mortgagee and/or Borrower of any and all of the terms and provisions thereof to be performed by Mortgagor and/or Borrower. Neither Mortgagor and/or Borrower, nor any other Person now or hereafter obligated for the payment of the whole or any part of Mortgagor's Liabilities, shall be relieved of such obligation by reason of the sale, conveyance or other transfer

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of the Mortgaged Property or the failure of Mortgagee to comply with any request of Mortgagor, or of any other Person, to take action to foreclose this Mortgage or otherwise enforce any of the provisions of this Mortgage, the Other Agreements or the Loan Documents, or by reason of the release, regardless of consideration, of the whole or any part of the security held for Mortgagor's Liabilities, or by reason of any agreement or stipulation between any subsequent owner or owners of the Mortgaged Property and Mortgagee extending the time of payment of Mortgagor's Liabilities or modifying the terms of the Loan Documents, the Other Agreements or this Mortgage without first having obtained the consent of Mortgagor or such other Person, and, in the latter event, Mortgagor and/or Borrower, and all such other Persons, shall continue liable on account of Mortgagor's Liabilities and to make such payments according to the terms of any such agreement, extension or modification unless expressly released and discharged in writing by Mortgagee. Mortgagee, without notice, may release, regardless of consideration, any part of the security held for Mortgagor's Liabilities, without, as to the remainder of the security therefor, in any way impairing or affecting the lien of this Mortgage or the priority of such lien over any subordinate lien. Mortgagee may resort for the payment of Mortgagor's Liabilities to any other security therefor held by Mortgagee in such order and manner as Mortgagee may elect.

7.14 The Demand Note evidences a revolving loan. The lien of this Mortgage secures payment of any existing indebtedness and future advances made pursuant to the Demand Note to the same extent as if such advances were made on the date of the execution of this Mortgage, without regard to whether or not there is any advance made at the time this Mortgage is executed and without regard to whether or not there is any indebtedness outstanding at the time any advance is made.

## VIII.

### MISCELLANEOUS

8.1 Every provision for notice, demand or request required in this Mortgage, the Loan Documents or the Other Agreements or by applicable law shall be deemed fulfilled by written notice, demand or request personally served on (with proof of service endorsed thereon), or mailed to, as hereinafter provided, the party entitled thereto or on its successors or assigns. If mailed, such notice, demand or request shall be made certified or registered mail, return receipt requested, and deposited in any post office station or letter-box, enclosed in a postage paid envelope addressed to such party at its address set forth below or to such other address as either party hereto shall direct by like written notice and shall be deemed to have been made on the fifth (5th) day following posting as aforesaid. For the purposes herein, notices shall be sent to Mortgagor and Mortgagee as follows:

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8.5 Any provision of this Mortgage which is unenforceable in any state in which this Mortgage may be filed or recorded or is invalid or contrary to the law of such state, or the inclusion of which would affect the validity, legality or enforcement of this Mortgage, shall be of no effect, and in such case all the remaining terms and provisions of this Mortgage shall subsist and be fully effective according to the tenor of this Mortgage, the same as though no such invalid portion had ever been included herein.

8.4 This Mortgage shall be governed as to validity, interpretation, construction, effect and in all other respects by the laws and decisions of the State of Illinois.

8.3 This Mortgage, and all the provisions hereof, will be binding upon and inure to the benefit of the successors and assigns of Mortgagor and Mortgagee.

8.2 All the covenants contained in this Mortgage will run with the land. Time is of the essence of this Mortgage and all provisions herein relating thereto shall be strictly construed.

Johnson & Bell, Ltd.  
Suite 2200  
222 North LaSalle Street  
Chicago, Illinois 60601  
Attn: Thomas W. Murphy, Esq.

With a copy to:

Colonial Bank  
5850 West Belmont Avenue  
Chicago, Illinois 60634  
Attn: Anthony Schiller

To Mortgagee:

Joseph D. Palmisano, Esq.  
79 West Monroe Street  
Suite 826  
Chicago, Illinois 60603

and

Calvin Boender  
2354 Hassell Road  
Hoffman Estates, Illinois 60195

With copies to:

Lasalle National Trust, N.A., as  
Trustee under Trust No. 116844  
135 South LaSalle Street  
Chicago, Illinois 60690  
Attn: Land Trust Department

To Mortgagor:

32544664

PROPERTY & PART

ONE KINDER ATTACHED

UNOFFICIAL COPY

This Mortgage or Trust Deed in the nature of a mortgage is executed by LA SALLE NATIONAL TRUST, N.A., not personally, but as Trustee under Trust No. 116844 in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said LA SALLE NATIONAL TRUST, N.A. hereby warrants that it possesses full power and authority to execute the Instrument) and it is expressly understood and agreed that nothing contained herein or in the note, or in any other instrument given to evidence the indebtedness secured hereby shall be construed as creating any liability on the part of said mortgagor or grantor, or on said LA SALLE NATIONAL TRUST, N.A. personally to pay said note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant, either express or implied, herein contained, all such liability, if any, being hereby expressly waived by the mortgagor or Trustee under said Trust Deed, the legal owners or holders of the note, and by every person now or hereafter claiming any right or security hereunder; and that so far as the mortgagor or grantor and said LA SALLE NATIONAL TRUST, N.A. personally are concerned, the legal holders of the note and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises hereby mortgaged or conveyed for the payment thereof by the enforcement of the lien created in the manner herein and in said note provided or by action to enforce the personal liability of the grantor or guarantors, if any. Trustee does not warrant, indemnify, defend title nor is it responsible for any consequential damage.

RIDER ATTACHED TO AND MADE A PART OF THE TRUST DEED OR MORTGAGE UNDER TRUST NO. 116844  
DATED May 26, 1932

ERRISU AND MADE A PART HEREOF.

COPIES ATTACHED

SEE RIDER ATTACHED HERE

# UNOFFICIAL COPY

8.6. To the extent that any of Mortgagor's Liabilities represent funds utilized to satisfy any outstanding indebtedness or obligations secured by liens, rights or claims against the Mortgaged Property or any part thereof, Mortgagee shall be subrogated to any and all liens, rights, superior titles and equities owned or claimed by the holder of any such outstanding indebtedness or obligation so satisfied, however remote, regardless of whether said liens, rights, superior title and equities are by the holder(s) thereof assigned to Mortgagee or released.

IN WITNESS WHEREOF, this Mortgage has been duly executed and delivered as of the day and year first written above.

**MORTGAGOR:**

SEE RIDER ATTACHED HERETO AND MADE A PART HEREOF.

LA SALLE NATIONAL TRUST, N.A., as Trustee under a Trust Agreement dated January 1, 1992 and known as Trust No. 116844 and not individually

Attest: Nancy A. Stack  
Assistant Secretary

BY: [Signature]  
Its VICE PRESIDENT

**BANK:**

COLONIAL BANK  
a state banking association

BY: [Signature]  
Its Secretary

**BORROWER:**

RIVER CROSSING LIMITED PARTNERSHIP,  
an Illinois limited partnership

BY: CUMBERLAND HOMES, INC.,  
an Illinois corporation,  
General Partner

BY: [Signature]  
Its President



# UNOFFICIAL COPY

STATE OF ILLINOIS     )  
                                  ) SS  
COUNTY OF COOK        )

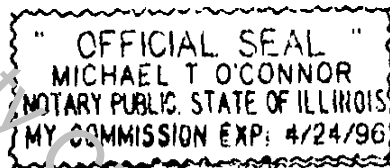
On this 26<sup>th</sup> day of May, 1992, before me personally appeared Calvin Brewster, to me known to be the person described in, and who executed the foregoing instrument, who, being by me duly sworn did state that he is the President of CUMBERLAND HOMES, INC., in its capacity as General Partner of River Crossing Limited Partnership, and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of CUMBERLAND HOMES, INC., in its capacity as General Partner of River Crossing Limited Partnership, for the uses and purposes therein set forth.

In testimony whereof, I have hereunto set my hand and affixed my official seal at my office in said county and state the date and year last written above.

Michael T. O'Connor  
Notary Public

My Commission Expires:

April 24, 1996



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Property of Cook County Clerk's Office

COOK COUNTY CLERK'S OFFICE  
100 N. LAUREL ST. CHICAGO, IL 60602  
TEL: 312.603.3000 FAX: 312.603.3001  
WWW.COOKCOUNTYCLERK.COM



# UNOFFICIAL COPY

## EXHIBIT A

### Legal Description

LOT 30 IN COVES OF SOUTH BARRINGTON, UNIT 2, BEING A  
SUBDIVISION IN SECTIONS 26 AND 27, TOWNSHIP 42 NORTH,  
RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK  
COUNTY, ILLINOIS.

ADDRESS: 9 TURNING SHORE, SOUTH BARRINGTON, IL 60010

P.I.N. 01-26-100-033

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92544504

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## EXHIBIT B

### Permitted Exceptions

1. TERMS, PROVISIONS, CONDITIONS AND LIMITATIONS CONTAINED IN THE DECLARATION OF COVENANTS AND RESTRICTIONS FILED APRIL 1969 AS DOCUMENT LR 2447004 AND RECORDED AS DOCUMENT 20820833 AND RECORDED OCTOBER 17, 1969 AS DOCUMENT 20988576 BY SOUTH BARRINGTON DEVELOPMENT COMPANY WHEREBY SUBJECT TO THE ASSESSMENTS, ASSOCIATION, PROPERTIES AND COMMON AREA OF THE PROPERTY.
2. BUILDING LINE AS SHOWN ON PLAT OF SUBDIVISION FILED OCTOBER 15, 1969 AS DOCUMENT LR 2476163 AND RECORDED OCTOBER 15, 1969 AS DOCUMENT 20986853; ALONG THE NORTH, WEST AND EAST LINES.
3. PROVISION CONTAINED IN ARTICLE V OF THE DECLARATION OF COVENANTS AND RESTRICTIONS RECORDED AS DOCUMENTS 20820833, 20988576 AND FILED AS DOCUMENT LR 2447004, RELATING TO ANNUAL AND SPECIAL MAINTENANCE ASSESSMENT LEVIED BY THE BOARD OF DIRECTORS OF THE COVES PROPERTY OWNERS ASSOCIATION.
4. THE PLAT OF COVES OF SOUTH BARRINGTON UNIT TWO, RECORDED OCTOBER 15, 1969 AS DOCUMENT 20986853 AND FILED AS DOCUMENT LR 2476163, STATES THAT NO PART OF THE PROPERTY IS SITUATED WITHIN 500 FEET OF A SURFACE DRAIN OR WATER COURSE SERVING A TRIBUTARY AREA OF 640 ACRES OF MORE.
5. AN EASEMENT IS HEREBY RESERVED FOR AND GRANT TO NORTHERN ILLINOIS GAS COMPANY, ITS SUCCESSORS AND ASSIGNS, IN ALL PLATTED "EASEMENT" AREAS, STREETS, ALLEYS, OTHER PUBLIC WAYS AND PLACES SHOWN ON PLAT, SAID EASEMENT TO BE FOR THE INSTALLATION, MAINTENANCE, RELOCATION, RENEWAL AND REMOVAL OF GAS MAINS AND APPURTENANCES, RECORDED OCTOBER 15, 1969 AS DOCUMENT 20986853 AND FILED OCTOBER 15, 1969 AS DOCUMENT LR 2476163.

92544504

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800-333-3333

Property of Cook County



JEFFERY DEER  
JOHNSON + BELL, LTD  
222 N. LASALLE  
SUITE 2200  
CHICAGO, ILL 60601

COOK'S Office