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This Mortgage was prepared by  
~~and when recorded return to:~~

Mail to  
ATTN: [unclear]  
ETIC

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Minneapolis, Minnesota  
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Space above this line for recorder's use

*[Handwritten signature]*

MORTGAGE, ASSIGNMENT OF RENTS,  
SECURITY AGREEMENT AND FIXTURE FILING

KNOW ALL PERSONS BY THESE PRESENTS:

THIS MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made as of the 27th day of February, 1992 by WALDORF CORPORATION, a corporation duly organized and validly existing under the laws of the State of Delaware and having an office at 2350 Wabash Avenue, St. Paul, MN 55164 (the "Mortgagor"), in favor of THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION), a national banking association having its principal office at 1 Chase Manhattan Plaza, New York, New York 10081, as Agent for the lenders referred to below (in such capacity, together with its successors in such capacity, the "Mortgagee").

W I T N E S S E T H:

WHEREAS, the Mortgagor, certain lenders (collectively, the "Banks") and the Mortgagee are parties to a Credit Agreement dated as of February 27, 1992 (said Credit Agreement, as modified and supplemented and in effect from time to time, being herein called the "Credit Agreement"; except as otherwise expressly provided herein, terms defined in the Credit Agreement being used herein as defined therein), which Credit Agreement provides, inter alia, for Term Loans to be made by the Banks to the Mortgagor in an aggregate principal or face amount not exceeding \$75,000,000 to be evidenced by, and repayable with interest thereon in accordance with, various Term Loan Notes to be executed and delivered to the respective order of the Banks (collectively, the "Notes"); and

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WHEREAS, it is a condition to the obligation of the Banks to extend credit to the Mortgagor pursuant to the Credit Agreement that the Mortgagor execute and deliver this Mortgage;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and FOR THE PURPOSE OF SECURING the following (collectively, the "Obligations"):

(a) the payment of all indebtedness evidenced by the Notes and any and all modifications, extensions, substitutions, exchanges and renewals of the Term Loans made pursuant to the Credit Agreement or of the Notes (each of which modifications, extensions, substitutions, exchanges and renewals shall enjoy the same priority as the initial advances evidenced by the Notes), and

(b) the performance and payment of the covenants, agreements and obligations hereinafter contained and all other monies secured hereby, including, without limitation, any and all sums expended by the Mortgagee pursuant to Section 1.11 hereof, together with interest thereon,

the Mortgagor hereby irrevocably grants, bargains, sells, releases, conveys, warrants, assigns, transfers, mortgages, pledges, sets over and confirms unto the Mortgagee, under and subject to the terms and conditions hereinafter set forth, all of the Mortgagor's right, title and interest in and to the land and premises (collectively, the "Property") more particularly described in Schedule I hereto;

TOGETHER WITH all interests, estates or other claims, both in law and in equity, that the Mortgagor now has or may hereafter acquire in (a) the Property, (b) all easements, rights-of-way and rights used in connection therewith or as a means of access thereto and (c) all tenements, hereditaments and appurtenances in any manner belonging, relating or appertaining thereto (all of the foregoing interests, estates and other claims being hereinafter collectively called "Easements and Rights of Way"); and

TOGETHER WITH all estate, right, title and interest of the Mortgagor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any streets, open or proposed, adjoining the Property, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection therewith (all of the foregoing estate, right, title and interest being hereinafter called "Adjacent Rights"); and

TOGETHER WITH all estate, right, title and interest of the Mortgagor, now owned or hereafter acquired, in and to any and all buildings and other improvements now or hereafter located on

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the Property and all building materials, building equipment and fixtures of every kind and nature located on the Property or, attached to, contained in or used in any such buildings and other improvements, and all appurtenances and additions thereto and betterments, substitutions and replacements thereof (all of the foregoing estate, right, title and interest being hereinafter collectively called, "Improvements"); and

TOGETHER WITH all estate, right, title and interest of the Mortgagor in and to all such tangible property now owned or hereafter acquired by the Mortgagor (including all machinery, apparatus, equipment, fittings and articles of personal property) and now or hereafter located on or at or attached to the Property that an interest in such tangible property arises under applicable real estate law, and any and all products and accessions to any such property which may exist at any time (all of the foregoing estate, right, title and interest, and products and accessions, being hereinafter called "Fixtures"); and

TOGETHER WITH all estate, right, title and interest of the Mortgagor in and to all rights, royalties and profits in connection with all minerals, oil and gas and other hydrocarbon substances on or in the Property, development rights or credits, air rights, water, water rights (whether riparian, appropriative, or otherwise and whether or not appurtenant) and water stock (all of the foregoing estate, right, title and interest being hereinafter collectively called "Mineral and Related Rights"); and

TOGETHER WITH all rents, revenues, proceeds, issues, profits, royalties, income and other benefits now or hereafter derived from the Property, the Improvements and the Fixtures, subject to the right, power and authority hereinafter given to the Mortgagor to collect and apply the same (all of the foregoing rents, revenues, proceeds, issues, profits, royalties, income and other benefits being hereinafter collectively called "Rents and Royalties"); and

TOGETHER WITH all estate, right, title and interest and other claim or demand that the Mortgagor now has or may hereafter acquire with respect to any damage to the Property, the Improvements or the Fixtures and any and all proceeds of insurance in effect with respect to the Improvements or the Fixtures, and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the Property, the Improvements or the Fixtures, including without limitation any awards resulting from a change of grade of streets or as the result of any other damage to the Property, the Improvements or the Fixtures for which compensation shall be given by any governmental authority (all of the foregoing estate, right, title and interest and other claims or demand, and any

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such proceeds or awards, being hereinafter collectively, called "Damage Rights"; and

TOGETHER WITH all estate, right, title and interest of the Mortgagor in respect of any and all air rights, development rights, zoning rights or other similar rights or interests which benefit or are appurtenant to the Property or the Improvements (all of the foregoing estate, right, title and interest being hereinafter collectively called "Air and Development Rights"); and

All of the foregoing Easements and Rights of Way, Adjacent Rights, Improvements, Fixtures, Minerals and Related Rights, Rents and Royalties, Damage Rights and Air and Development Rights being sometimes hereinafter referred to collectively as the "Ancillary Rights and Properties" and the Property and Ancillary Rights and Properties being sometimes hereinafter referred to collectively as the "Mortgage Estate".

TO HAVE AND TO HOLD the Mortgage Estate with all privileges and appurtenances thereunto belonging, to the Mortgagee and its successors and assigns, forever, upon the terms and conditions and for the uses hereinafter set forth.

PROVIDED ALWAYS, that if the principal of and interest on the Notes and all of the other Obligations shall be paid in full, and the Mortgagor shall abide by and comply with each and every covenant contained herein and in the Credit Agreement, then this Mortgage and the lien and estate hereby granted shall cease, determine and be void.

This Mortgage, the Notes, the Credit Agreement and any other instrument given to evidence or further secure the payment and performance of any Obligation are sometimes hereinafter collectively referred to as the "Loan Instruments".

TO PROTECT THE SECURITY OF THIS MORTGAGE, THE MORTGAGOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

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## ARTICLE 1

### Particular Covenants and Agreements of the Mortgagor

Section 1.01 Payment of Secured Obligations. The Mortgagor shall pay when due the principal of, and the interest on, the indebtedness evidenced by the Notes, charges, fees and all other Obligations as provided in the Loan Instruments.

Section 1.02 Title, etc. The Mortgagor represents and warrants that it has good and marketable fee simple title in and to the Property identified in Schedule I hereto, and the related Ancillary Rights and Properties, in each case subject to no mortgage, deed of trust, lien, pledge, charge, security interest or other encumbrance or adverse claim of any nature, except those listed as exceptions to title in the title policy insuring the lien or estate created by this Mortgage.

The Mortgagor represents and warrants that it has the full power and lawful authority to grant, bargain, sell, release, convey, warrant, assign, transfer, mortgage, pledge, set over and confirm unto the Mortgagee the Mortgage Estate as hereinabove provided and warrants that it will forever defend the title to the Mortgage Estate and the validity and priority of the lien or estate hereof against the claims and demands of all persons whomsoever.

Section 1.03. Further Assurances; Filing; Re-Filing; etc.

(a) The Mortgagor shall execute, acknowledge and deliver, from time to time, such further instruments as the Mortgagee may require to accomplish the purposes of this Mortgage.

(b) The Mortgagor, immediately upon the execution and delivery of this Mortgage, and thereafter from time to time, shall cause this Mortgage, any security agreement or mortgage supplemental hereto and each instrument of further assurance to be filed, registered or recorded and refiled, re-registered or re-recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and perfect the lien or estate of this Mortgage upon the Mortgage Estate.

(c) The Mortgagor shall pay all filing, registration and recording fees, all re-filing, re-registration and re-recording fees, and all expenses incident to the execution, filing, recording and acknowledgment of this Mortgage, any security agreement or mortgage supplemental hereto and any instrument of further assurance, and all Federal, state, county

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and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery, filing and recording of the Notes, this Mortgage or any of the other Loan Instruments, any security agreement or mortgage supplemental hereto or any instruments of further assurance.

Section 1.04. Liens. Except as otherwise provided in Section 8.06 of the Credit Agreement, but without limiting the obligations of the Mortgagor under Section 1.06 of this Mortgage, the Mortgagor shall not create or suffer to be created any mortgage, deed of trust, lien, security interest, charge or encumbrance upon the Mortgage Estate prior to, on a parity with, or subordinate to the lien of this Mortgage. The Mortgagor shall pay and promptly discharge at the Mortgagor's cost and expense, any such mortgages, deeds of trust, liens, security interests, charges or encumbrances upon the Mortgage Estate or any portion thereof or interest therein.

#### Section 1.05. Insurance and Casualty Events.

(a) The Mortgagor shall purchase and maintain in full force and effect policies of insurance in such form and amounts, covering such risks, and issued by such companies, in each case in the manner and to the extent required pursuant to Section 8.04 of the Credit Agreement and shall cause each of such policies to name the Mortgagee as an additional loss payee as its interests may appear. The Mortgagor expressly assumes all risk of loss, including a decrease in the use, enjoyment or value of the Mortgage Estate from any fire or other casualty whatsoever, whether or not insurable or insured against.

(b) Following the occurrence of any fire or other casualty involving the Mortgage Estate or any part thereof resulting in a loss in excess of \$5,000,000, the Mortgagor shall give prompt notice thereof to the Mortgagee and shall cause the proceeds of all insurance, except proceeds from business interruption insurance or other amounts payable as a result of such fire or other casualty to be paid to the Mortgagee as additional collateral security hereunder subject to the lien of this Mortgage. Upon receipt by the Mortgagee of any such proceeds, except proceeds from business interruption insurance (including, without limitation, any such proceeds payable directly to the Mortgagee as loss payee under the respective policies maintained pursuant to paragraph (a) above), the Mortgagee shall deposit the same into a cash collateral account (the "Restoration Account") in the name and under the control of the Mortgagee. The balance from time to time in the Restoration Account shall constitute part of the Mortgage Estate hereunder and shall not constitute payment of the Obligations until applied as hereinafter provided.

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(c) Following the occurrence of any fire or other casualty to the Mortgage Estate or any part thereof resulting in a loss in excess of \$5,000,000, but without limiting its obligations under Section 1.07 hereof to restore and repair any damaged or destroyed Improvements and Fixtures, the Mortgagor may, at its option, to be exercised by delivery of notice to the Mortgagee within 180 days of the damage or destruction caused by such fire or other casualty, elect to either apply any insurance proceeds received as a result of such fire or other casualty: (i) to the restoration and repair of that part of the Mortgage Estate damaged by such fire or casualty (the "Damaged Property"); or (ii) to the prepayment of the loans or other indebtedness constituting the Obligations hereunder in the manner and to the extent specified in Section 2.11 of the Credit Agreement. Failure of the Mortgagor to make such an election within 180 days from the date of any such damage or destruction shall automatically constitute an election to so apply such insurance proceeds to the prepayment as aforesaid of the indebtedness secured hereby.

If the Mortgagor elects to so restore and repair the Damaged Property, any insurance proceeds (and any earnings thereon) held in the Restoration Account shall be applied by the Mortgagee to the restoration and repair of the Damaged Property and advanced to the Mortgagor in periodic installments upon compliance by the Mortgagor with such reasonable conditions to disbursement as may be imposed by the Mortgagee, including, but not limited to, reasonable retention amounts and receipt of lien releases.

Anything in this Section 1.05 to the contrary notwithstanding, the Mortgagee shall have no obligation to release any of the insurance proceeds to the Mortgagor for restoration or repair of the Damaged Property if a Default (as defined in Section 4.01 hereof), or any event that with lapse of time or with notice and lapse of time would become a Default, has occurred and is continuing. If a Default, or any event that with lapse of time or with notice and lapse of time would become a Default, has occurred and is continuing, the Mortgagee may, in its sole discretion apply any insurance proceeds received as a result of such fire or other casualty either (i) to the payment of the Obligations as provided in Section 4.03(a) hereof or (ii) to the restoration or repair of the Damaged Property; provided, however, that if the Mortgagee requires such proceeds to be applied to the restoration or repair of the Damaged Property, the Mortgagee will not be required to release any insurance proceeds to the Mortgagor to be applied to said restoration or repair until such Default or event has been remedied. If the Mortgagee has required application of such proceeds to such restoration or repair, and such Default or event has been cured, then the Mortgagee will advance to the Mortgagor

in accordance with the foregoing provisions of this Section 1.05(c), the insurance proceeds, less such amounts that may have been expended by the Mortgagee to effectuate such cure. All insurance proceeds remaining after the payment for restoration and repair of the Damaged Property pursuant to this Section 1.05(c) may, at the option of the Mortgagee be applied to the prepayment of the loans or other indebtedness constituting the Obligations hereunder in the manner and to the extent specified in Section 2.11 of the Credit Agreement.

(d) Except for claims for business interruption insurance, the Mortgagee shall be entitled at its option to participate in any compromise, adjustment or settlement in connection with any claims for loss, damage or destruction under any policy or policies of insurance, in excess of \$5,000,000, and the Mortgagor shall within 5 Business Days after request therefor reimburse the Mortgagee for all out-of-pocket expenses (including reasonable attorneys' fees) incurred by the Mortgagee in connection with such participation. The Mortgagor shall not make any compromise, adjustment or settlement in connection with any such claim without the approval of the Mortgagee.

(e) In the event of foreclosure of the lien of this Mortgage or other transfer of title or assignment of the Mortgage Estate in extinguishment, in whole or in part, of the Obligations, all right, title and interest of the Mortgagor in and to all policies of casualty insurance covering all or any part of the Mortgage Estate shall inure to the benefit of and pass to the successors in interest to the Mortgagor or the purchaser or grantee of the Mortgage Estate or any part thereof.

#### Section 1.06. Impositions.

(a) Except to the extent otherwise permitted under Section 8.06 of the Credit Agreement, the Mortgagor shall pay or cause to be paid, before any fine, penalty, interest or cost attaches thereto, all taxes, assessments, water and sewer rates, utility charges and all other governmental or nongovernmental charges or levies now or hereafter assessed or levied against any part of the Mortgage Estate (including, without limitation, nongovernmental levies or assessments such as maintenance charges, owner association dues or charges or fees, levies or charges resulting from covenants, conditions and restrictions affecting the Mortgage Estate) or upon the lien or estate of the Mortgagee therein (collectively, "Impositions"), as well as all claims for labor, materials or supplies that, if unpaid, might by law become a prior lien thereon, and within 10 days after request by the Mortgagee will exhibit receipts showing payment of any of the foregoing; provided, however, that if by law any such Imposition may be paid in installments (whether or not interest shall accrue on the unpaid balance thereof), the Mortgagor may



pay the same in installments (together with accrued interest on the unpaid balance thereof) as the same respectively become due, before any fine, penalty or cost attaches thereto.

(b) To the extent not inconsistent with the provisions of Section 8.03 of the Credit Agreement, the Mortgagor at its expense may, after prior notice to the Mortgagee, contest by appropriate legal, administrative or other proceedings conducted in good faith and with due diligence, the amount or validity or application, in whole or in part, of any Imposition or lien therefor or any claims of mechanics, materialmen, suppliers or vendors or lien thereof, and may withhold payment of the same pending such proceedings if permitted by law, so long as (i) in the case of any Impositions or lien therefor or any claims of mechanics, materialmen, suppliers or vendors or lien thereof, such proceedings shall suspend the collection thereof from the Mortgage Estate, (ii) neither the Mortgage Estate nor any part thereof or interest therein will be sold, forfeited or lost if the Mortgagor pays the amount or satisfies the condition being contested, and the Mortgagor would have the opportunity to do so, in the event of the Mortgagor's failure to prevail in the contest, (iii) neither the Mortgagee nor any of the Banks would, by virtue of such permitted contest, be exposed to any risk of any criminal liability or any civil liability for which the Mortgagor has not furnished additional security as provided in clause (iv) below, and neither the Mortgage Estate nor any interest therein would be subject to the imposition of any lien for which the Mortgagor has not furnished additional security as provided in clause (iv) below, as a result of the failure to comply with such law or of such proceeding and (iv) the Mortgagor shall have furnished to the Mortgagee additional security in respect of the claim being contested or the loss or damage which may result from the Mortgagor's failure to prevail in such contest in such amount as may be reasonably requested by the Mortgagee, but only to the extent that such claim or contest and all other then-current claims or contests involve an aggregate amount greater than \$5,000,000.

Section 1.07. Maintenance of the Improvements and Fixtures. The Mortgagor shall not permit the Improvements or Fixtures to be removed or demolished (provided, however, that, subject to the provisions of Section 8.05 of the Credit Agreement, the Mortgagor may remove or alter such Improvements and Fixtures that become obsolete in the usual conduct of the Mortgagor's business and the removal or alteration of which do not materially detract from the operation of the Mortgagor's business); shall maintain the Mortgage Estate in good repair, working order and condition, except for reasonable wear and use; and shall restore and repair the Improvements and Fixtures or any part thereof now or hereafter damaged or destroyed by any fire or

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other casualty (whether or not insured against or insurable) or affected by any Condemnation (as defined in Section 1.12 hereof).

## Section 1.08. Compliance With Laws.

(a) The Mortgagor represents and warrants that, except as otherwise previously disclosed in writing to the Mortgagee or in the Credit Agreement (and except for the matters described in clause (b) below, as to which the provisions of said clause (b) shall apply) the Mortgagor and its operations at the Property currently comply with all laws, ordinances, orders, rules and regulations of all Federal, state, and local governments and of the appropriate departments, commissions, boards and offices thereof, and the orders, rules and regulations of the American Insurance Association or any other body now or hereafter constituted exercising similar functions, which at any time are applicable to the Mortgage Estate.

(b) The Mortgagor hereby confirms the representations and warranties set forth in Section 7.13 of the Credit Agreement (relating to compliance by the Mortgagor with applicable Environmental Laws) insofar as such representations and warranties apply to the Mortgage Estate.

(c) The Mortgagor shall notify the Mortgagee promptly (to the extent required under the Credit Agreement) of any notice or order which the Mortgagor receives from any agency or instrumentality of the Federal, or any state or local, government with respect to the Mortgagor's compliance with any laws or regulations referred to in this Section 1.08 and promptly take any and all actions necessary to bring its operations at the Property into compliance with such laws or regulations (and shall fully comply with the requirements of such laws or regulations which at any time are applicable to its operations at the Property) all to the extent required under the applicable provisions of the Credit Agreement; provided, that to the extent not inconsistent with the provisions of Section 8.03 of the Credit Agreement, the Mortgagor at its expense may, after prior notice to the Mortgagee, contest by appropriate legal, administrative or other proceedings conducted in good faith and with due diligence, the validity or application, in whole or in part, of any such laws or regulations so long as (i) neither the Mortgage Estate nor any part thereof or any interest therein, will be sold, forfeited or lost if the Mortgagor pays the amount or satisfies the condition being contested, and the Mortgagor would have the opportunity to do so, in the event of the Mortgagor's failure to prevail in the contest, (ii) neither the Mortgagee nor any of the Banks would, by virtue of such permitted contest, be exposed to any risk of any criminal liability or any civil liability for which the Mortgagor has not furnished additional security as provided in clause (iii) below, and

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neither the Mortgage Estate nor any interest therein would be subject to the imposition of any lien for which the Mortgagor has not furnished additional security as provided in clause (iii) below as a result of the failure to comply with such law or of such proceeding and (iii) the Mortgagor shall have furnished to the Mortgagee additional security in respect of the claim being contested or the loss or damage which may result from the Mortgagor's failure to prevail in such contest in such amount as may be reasonably requested by the Mortgagee, but only to the extent that such claim or contest and all other then-current claims or contests involve an aggregate amount greater than \$5,000,000.

(d) Subject to the provisions of Section 1.08(c) hereof, the Mortgagee, at its election and in its sole discretion may (but shall not be obligated to) cure any failure on the part of the Mortgagor to comply with any laws or regulations referred to in this Section 1.08, and without limitation, may take any of the following actions:

(i) arrange for the prevention of any Release or threat of Release of Hazardous Materials at the Property, and pay any costs associated with such prevention;

(ii) arrange for the removal or remediation of Hazardous Materials which may be Released or result from a Release at the Property, and pay any costs associated with such removal and/or remediation;

(iii) pay, on behalf of the Mortgagor, any costs, fines or penalties imposed on the Mortgagor by the Federal, or any state or local, government or any representative thereof in connection with such Release or threat of Release of Hazardous Materials at the Property; or

(iv) make any other payment or perform any other act which will prevent a lien in favor of any governmental agency from attaching to the Property or the Mortgage Estate under any Environmental Laws.

Any partial exercise by the Mortgagee of the remedies hereinafter set forth, or any partial undertaking on the part of the Mortgagee to cure the Mortgagor's failure to comply with such laws or regulations, shall not obligate the Mortgagee to complete the actions taken or require the Mortgagee to expend further sums to cure the Mortgagor's noncompliance; nor shall the exercise of any such remedies operate to place upon the Mortgagee any responsibility for the operation, control, care, management or repair of the Property or make the Mortgagee the "operator" of the Property within the meaning of any Environmental Laws. Any amount paid or costs incurred by the Mortgagee as a result of the

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exercise by the Mortgagee of any of the rights hereinabove set forth, together with interest thereon at the Post-Default Rate under and as defined in the Credit Agreement, shall be immediately due and payable by the Mortgagor to the Mortgagee, and until paid shall be added to and become a part of the Obligations secured hereby; and the Mortgagee, by making any such payment or incurring any such costs, shall be subrogated to any rights of the Mortgagor to seek reimbursement from any third parties, including, without limitation, a predecessor-in-interest to the Mortgagor's title who may be a "responsible party" or otherwise liable under any Environmental Laws in connection with any such Release or threat of Release of Hazardous Materials.

(e) If after the occurrence and during the continuance of any Default the Mortgagee desires that an environmental survey and risk assessment with respect to the Property be prepared, the Mortgagor agrees to supply such a survey and risk assessment by an independent engineering firm selected by the Mortgagor and satisfactory to the Mortgagee, in form and detail satisfactory to the Mortgagee (including test borings of the ground and chemical analyses of air, water and waste discharges), estimating current liabilities and assessing potential sources of future liabilities of the Mortgagor or any other owner or operator of the Property under applicable Environmental Laws

(f) Without limiting the provisions of Section 11.03 of the Credit Agreement, the Mortgagor shall indemnify and hold the Mortgagee and the Banks harmless from and against any and all losses, liabilities, claims, damages or expenses (including any lien filed against the Property or any part of the Mortgage Estate in favor of any governmental entity, but excluding any loss, liability, claim, damage or expense incurred by reason of the gross negligence or wilful misconduct of the Person to be indemnified) arising under any Environmental Law as a result of the past, present or future operations of the Mortgagor (or any predecessor in interest to the Mortgagor), or the past, present or future condition of the Property, or any Release or threatened Release of any Hazardous Materials from the Property, including any such Release or threatened Release which shall occur during any period when the Mortgagee or any of the Banks shall be in possession of the Property following the exercise by the Mortgagee of any of its rights and remedies hereunder.

Section 1.09. Limitations of Use. The Mortgagor shall not initiate, join in or consent to any change in any private restrictive covenant, zoning ordinance or other public or private restrictions limiting or defining the uses that may be made of the Property and the Improvements or any part thereof that would have a Material Adverse Effect. The Mortgagor shall comply with the provisions of all leases, licenses, agreements and private

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covenants, conditions and restrictions that at any time are applicable to the Mortgage Estate.

Section 1.10. Inspection of the Property. The Mortgagor shall keep adequate records and books of account in accordance with generally accepted accounting principles consistently applied and shall permit the Mortgagee and its authorized representatives to enter and inspect the Property, to examine the records and books of account of the Mortgagor with respect thereto and make copies or extracts thereof, all at such reasonable times as may be requested by the Mortgagee.

Section 1.11. Actions to Protect Mortgage Estate. If the Mortgagor shall fail to (a) effect the insurance required by Section 1.05, (b) make the payments required by Section 1.06 or (c) perform or observe any of its other covenants or agreements hereunder, the Mortgagee may, without obligation to do so, and upon notice to the Mortgagor (except in an emergency) effect or pay the same. To the maximum extent permitted by law, all sums, including reasonable attorneys' fees, so expended or expended to sustain the lien or estate of this Mortgage or its priority, or to protect or enforce any of the rights hereunder, or to recover any of the Obligations, shall be a lien on the Mortgage Estate, shall be deemed to be added to the Obligations secured hereby, and shall be paid by the Mortgagor within 10 days after demand therefor, together with interest thereon at the Post-Default Rate under and as defined in the Credit Agreement.

Section 1.12. Condemnation.

(a) Should the Mortgage Estate or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner (a "Condemnation"), or should the Mortgagor receive any notice or other information regarding any such proceeding, the mortgagor shall give prompt notice thereof to the Mortgagee.

(b) The Mortgagee shall be entitled to all compensation, awards, damages and other payments or relief arising out of any Condemnation involving the Mortgage Estate or any part thereof (collectively, "Condemnation Proceeds"), and all such compensation, awards, damages and other payments or relief, together with all rights and causes of action relating thereto or arising out of any Condemnation, are hereby assigned to the Mortgagee. The Mortgagor shall execute such further assignments of the Condemnation Proceeds as the Mortgagee may from time to time require. Without limiting the generality of the foregoing, following the occurrence of any Condemnation involving the Mortgage Estate or any part thereof resulting in a loss in excess of \$5,000,000, the Mortgagor shall give prompt notice thereof to the Mortgagee and shall cause all Condemnation Proceeds payable

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as a result of such Condemnation to be paid to the Mortgagee as additional collateral security hereunder subject to the lien of this Mortgage. Upon receipt by the Mortgagee of such Condemnation Proceeds, the Mortgagee shall deposit the same into the Restoration Account. The balance from time to time in the Restoration Account shall constitute part of the Mortgage Estate hereunder and shall not constitute payment of the Obligations until applied as hereinafter provided.

(c) Following the occurrence of a Condemnation resulting in a loss in excess of \$5,000,000, but without limiting its obligations under Section 1.07 hereof to restore and repair any Improvements or Fixtures affected by any Condemnation, the Mortgagor may, at its option, to be exercised by delivery of notice to the Mortgagee within 180 days of such Condemnation, elect to either apply any Condemnation Proceeds: (i) to the restoration and repair of that part of the Mortgage Estate affected by such Condemnation (the "Affected Property"); or (ii) to the prepayment of the loans or other indebtedness constituting the Obligations hereunder in the manner and to the extent specified in Section 2.11 of the Credit Agreement. Failure of the Mortgagor to make such an election within three months from the date of any such Condemnation shall automatically constitute an election to so apply such Condemnation Proceeds to the prepayment as aforesaid of the indebtedness secured hereby.

If the Mortgagor elects to so restore and repair the Affected Property, any Condemnation Proceeds (and earnings thereon) held in the Restoration Account shall be applied by the Mortgagee to the restoration and repair of the Affected Property and advanced to the Mortgagor in periodic installments upon compliance by the Mortgagor with such reasonable conditions to disbursement as may be imposed by the Mortgagee including, but not limited to, reasonable retention amounts and receipt of lien releases.

The Mortgagee shall have no obligation to release any of the Condemnation Proceeds to the Mortgagor for restoration or repair of Affected Property if a Default, or any event that with lapse of time or with notice and lapse of time would become a Default, has occurred and is continuing. If a Default, or any event that with lapse of time or with notice and lapse of time would become a Default, has occurred and is continuing, the Mortgagee may, in its sole discretion apply the Condemnation Proceeds either (i) to the payment of the Obligations as provided in Section 4.03(a) hereof or (ii) to the restoration or repair of the Affected Property; provided, however, that if the Mortgagee requires such proceeds to be applied to the restoration or repair of the Damaged Property, the Mortgagee will not be required to release any Condemnation Proceeds to the Mortgagor to be applied to said restoration or repair until such Default or event has

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been remedied. If the Mortgagee has required application of Condemnation Proceeds to such restoration or repair, and such Default or event has been cured, then the Mortgagee will advance to the Mortgagor in accordance with the foregoing provisions of this Section 1.12(c), the Condemnation Proceeds, less such amounts that may have been expended by the Mortgagee to effectuate such cure. All Condemnation Proceeds remaining after the payment, for restoration and repair of the Affected Property pursuant to this Section 1.12(c), may, at the option of the Mortgagee be applied to prepayment of the loans or other indebtedness constituting the Obligations hereunder in the manner and to the extent specified in Section 2.11 of the Credit Agreement.

(d) The Mortgagee shall be entitled at its option to participate in any compromise, adjustment or settlement in connection with any Condemnation involving an amount in controversy in excess of \$5,000,000, and the Mortgagor shall within 5 Business Days after request therefor reimburse the Mortgagee for all out-of-pocket expenses (including reasonable attorneys' fees) incurred by the Mortgagee in connection with such participation. The Mortgagor shall not make any compromise, adjustment or settlement in connection with any such claim without the approval of the Mortgagee.

Section 1.13. Insurance and Condemnation Proceeds.

(a) Any moneys held by the Mortgagee constituting insurance proceeds other than proceeds for business interruption insurance received by the Mortgagee in respect of any loss or damage to, or destruction of, the Mortgage Estate (or any portion thereof), or constituting Condemnation Proceeds, shall, as provided in Sections 1.05 and 1.12 hereof, be held by the Mortgagee in the Restoration Account and any interest or other amounts, if any, actually earned on the balance held by the Mortgagee in the Restoration Account shall be credited to the Restoration Account, for the benefit of the Mortgagor. So long as no Default shall have occurred and be continuing, at the written request of the Mortgagor, any monies held in the Restoration Account shall be invested or reinvested in such Permitted Investments as the Mortgagor shall from time to time specify. Such Permitted Investments shall be held by the Mortgagee pursuant to this Section 1.13; but, upon request of the Mortgagor, the Mortgagee shall sell all or any designated part of the same and the proceeds of such sale shall be held by the Mortgagee in the Restoration Account subject to the provisions hereof in the same manner as the cash used by it to purchase the Permitted Investments so sold. The Mortgagor agrees to pay the Mortgagee, on demand, amounts equal to any loss resulting from any investment or reinvestment pursuant to this Section 1.13 (and any such payments made by the Mortgagor shall be deposited by the

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Mortgagee into the Restoration Account), it being understood that the Mortgagee shall not be liable or responsible for any such loss.

(b) Notwithstanding anything herein or at law or in equity to the contrary, none of the insurance proceeds or Condemnation Proceeds paid to the Mortgagee as herein provided, and none of the other amounts from time to time held in the Restoration Account, shall be deemed trust funds, and the Mortgagee shall be entitled to advance amounts from time to time held in the Restoration Account to the Mortgagor, or to apply the same to the prepayment of the loans or other indebtedness constituting the Obligations hereunder, as provided in Sections 1.05(c) and 1.12(c) hereof.

ARTICLE 2

Assignment of Rents, Issues and Profits

Section 2.01. Assignment of Rents, Issues and Profits. The Mortgagor hereby assigns and transfers to the Mortgagee, FOR THE PURPOSE OF SECURING the Obligations, the rents, revenues, issues, profits, royalties, income and benefits now existing or hereafter derived from the Property, the Improvements and the Fixtures (collectively, the "Rents"), and hereby gives to and confers upon the Mortgagee the right, power and authority to collect the same. To the maximum extent permitted by law, the Mortgagor irrevocably appoints the Mortgagee its true and lawful attorney-in-fact, at its option at any time and from time to time following the occurrence and during the continuance of a Default, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of the Mortgagor or otherwise, for the Rents and apply the same to the Obligations as provided in Section 4.03(a) hereof, provided, however, that the Mortgagor shall have the right to collect the Rents at any time prior to the occurrence of a Default (but not more than one month in advance, except in the case of security deposits).

Section 2.02. Collection Upon Default. To the extent permitted by law, upon the occurrence of any Default, the Mortgagee may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Obligations or the solvency of the Mortgagor, enter upon and take possession of the Property, the Improvements and the Fixtures or any part thereof, in its own name, sue for or otherwise collect the Rents including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, to the payment of the Obligations as provided in Section 4.03(a) hereof, and in such order as the Mortgagee may determine. The

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collection of the Rents or the entering upon and taking possession of the Property, the Improvements or the Fixtures or any part thereof, or the application thereof as aforesaid, shall not cure or waive any Default or notice thereof or invalidate any act done in response to such Default or pursuant to notice thereof.

## ARTICLE 3

### Security Agreement

Section 3.01. Creation of Security Interest. The Mortgagor hereby grants to the Mortgagee a security interest in the Fixtures for the purpose of securing the Obligations. The Mortgagee shall have, in addition to all rights and remedies provided herein and in the other Loan Instruments, all the rights and remedies of a secured party under the Uniform Commercial Code of the state in which the applicable portion of the Fixtures is located.

Section 3.02. Warranties, Representations and Covenants. The Mortgagor hereby warrants, represents and covenants that: (a) the Fixtures will be kept on or at the Property and the Mortgagor will not remove any Fixtures from the Property, except such portions or items of the Fixtures which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by the Mortgagor, except as provided in Section 8.05 of the Credit Agreement and otherwise expressly provided in Section 1.07 hereof, (b) all covenants and obligations of the Mortgagor contained herein relating to the Mortgage Estate shall be deemed to apply to the Fixtures whether or not expressly referred to herein and (c) this Mortgage constitutes a security agreement and "fixture filing" as those terms are used in the applicable Uniform Commercial Code. Information relative to the security interest created hereby may be obtained by application to the Mortgagee (secured party) c/o The Chase Manhattan Bank (National Association), 1 Chase Manhattan Plaza, New York, New York 10081. The mailing address of the Mortgagor is set forth on Page 1 hereof.

## ARTICLE 4

### Defaults; Remedies

Section 4.01. Defaults. If any Event of Default (herein, a "Default") under the Credit Agreement shall occur and be continuing then, as more particularly provided in the Credit Agreement, the principal of and accrued interest on the Notes and all other Obligations under the Credit Agreement may be declared,

### Illinois Term Loan Mortgage

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or may become, due and payable, without presentment, demand, protest or other formalities of any kind, all of which have been waived pursuant to the Credit Agreement.

## Section 4.02. Default Remedies.

(a) If a Default shall have occurred and be continuing, this Mortgage may, to the maximum extent permitted by law, be enforced, and the Mortgagee may exercise any right, power or remedy permitted to it hereunder, under the Credit Agreement or under any of the other Loan Instruments or by law, and, without limiting the generality of the foregoing, the Mortgagee may, personally or by its agents, to the maximum extent permitted by law:

(i) enter into and take possession of the Mortgage Estate or any part thereof, exclude the Mortgagor and all persons claiming under the Mortgagor whose claims are junior to this Mortgage, wholly or partly therefrom, and use, operate, manage and control the same either in the name of the Mortgagor or otherwise as the Mortgagee shall deem best, and upon such entry, from time to time at the expense of the Mortgagor and the Mortgage Estate, make all such repairs, replacements, alterations, additions or improvements to the Mortgage Estate or any part thereof as the Mortgagee may deem proper and, whether or not the Mortgagee has so entered and taken possession of the Mortgage Estate or any part thereof, collect and receive all the rents and profits and apply the same, to the extent permitted by law, to the payment of all expenses which the Mortgagee may be authorized to make under this Mortgage, the remainder to be applied to the payment of the Obligations until the same shall have been repaid in full; if the Mortgagee demands or attempts to take possession of the Mortgage Estate or any portion thereof in the exercise of any rights hereunder, the Mortgagor shall promptly turn over and deliver complete possession thereof to the Mortgagee; and

(ii) to the maximum extent permitted by law, personally or by agents, with or without entry, if the Mortgagee shall deem it advisable:

(x) sell the Mortgage Estate at a sale or sales held at such place or places and time or times and upon such notice and otherwise in such manner as may be required by law, or, in the absence of any such requirement, as the Mortgagee may deem appropriate, and from time to time adjourn any such sale by announcement at the time and place specified for such sale or for such adjourned sale without further notice, except such as may be required by law;

Illinois Term Loan Mortgage

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(y) proceed to protect and enforce its rights under this Mortgage, by suit for specific performance of any covenant contained herein or in the Loan Instruments or in aid of the execution of any power granted herein or in the Loan Instruments, or for the foreclosure of this Mortgage (as a mortgage or otherwise) and the sale of the Mortgage Estate under the judgment or decree of a court of competent jurisdiction, or for the enforcement of any other right as the Mortgagee shall deem most effectual for such purpose, provided, that in the event of a sale, by foreclosure or otherwise, of less than all of the Mortgage Estate, this Mortgage shall continue as a lien on, and security interest in, the remaining portion of the Mortgage Estate; or

(z) exercise any or all of the remedies available to a secured party under the applicable Uniform Commercial Code, including, without limitation:

(1) either personally or by means of a court appointed receiver, take possession of all or any of the Fixtures and exclude therefrom the Mortgagor and all persons claiming under the Mortgagor, and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of the Mortgagor in respect of the Fixtures or any part thereof; if the Mortgagee demands or attempts to take possession of the Fixtures in the exercise of any rights hereunder, the Mortgagor shall promptly turn over and deliver complete possession thereof to the Mortgagee;

(2) without notice to or demand upon the Mortgagor, make such payments and do such acts as the Mortgagee may deem necessary to protect its security interest in the Fixtures, including, without limitation, paying, purchasing, contesting or compromising any encumbrance which is prior to or superior to the security interest granted hereunder, and in exercising any such powers or authority paying all expenses incurred in connection therewith;

(3) require the Mortgagor to assemble the Fixtures or any portion thereof, at a place designated by the Mortgagee and reasonably convenient to both parties, and promptly to deliver the Fixtures to the Mortgagee, or an agent

Illinois Term Loan Mortgage

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or representative designated by it; the Mortgagee, and its agents and representatives, shall have the right to enter upon the premises and property of the Mortgagor to exercise the Mortgagee's rights hereunder;

(4) sell, lease or otherwise dispose of the Fixtures, with or without having the Fixtures at the place of sale, and upon such terms and in such manner as the Mortgagee may determine (and the Mortgagee or any Bank may be a purchaser at any such sale); and

(5) unless the Fixtures are perishable or threaten to decline speedily in value or are of a type customarily sold on a recognized market, the Mortgagee shall give the Mortgagor at least 10 days' prior notice of the time and place of any sale of the Fixtures or other intended disposition thereof.

(b) If a Default shall have occurred and be continuing, the Mortgagee, to the maximum extent permitted by law, shall be entitled, as a matter of right, to the appointment of a receiver of the Mortgage Estate, after notice or demand, if required by law and without regard to the adequacy of the security for the Obligations or the solvency of the Mortgagor. The Mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of the Mortgagee in case of entry and shall continue as such and exercise all such powers until the date of confirmation of sale of the Mortgage Estate, unless such receivership is sooner terminated.

(c) If a Default shall have occurred and be continuing, the Mortgagor shall, to the maximum extent permitted by law, pay monthly in advance to the Mortgagee, or to any receiver appointed at the request of the Mortgagee to collect rents, the fair and reasonable rental value for the use and occupancy of the Property, the Improvements and the Fixtures or of such part thereof as may be in the possession of the Mortgagor. Upon default in the payment thereof, the Mortgagor shall vacate and surrender possession of the Property, the Improvements and the Fixtures to the Mortgagee or such receiver, and upon a failure so to do may, to the maximum extent permitted by law, be evicted by summary proceedings.

(d) In any sale under any provision of this Mortgage or pursuant to any judgment or decree of court, the Mortgage

Illinois Term Loan Mortgage

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Estate, to the maximum extent permitted by law, may be sold in one or more parcels or as an entirety and in such order as the Mortgagee may elect, without regard to the right of the Mortgagor or any person claiming under the Mortgagor to the marshalling of assets. The purchaser at any such sale shall take title to the Mortgage Estate or the part thereof so sold free and discharged of the estate of the Mortgagor therein, the purchaser being hereby discharged from all liability to see to the application of the purchase money. Any person, including the Mortgagee or any Bank, may purchase at any such sale. Upon the completion of any such sale by virtue of this Section 4.02 the Mortgagee shall execute and deliver to the purchaser an appropriate instrument which shall effectively transfer all of the Mortgagor's estate, right, title, interest, property, claim and demand in and to the Mortgage Estate or portion thereof so sold, but without any covenant or warranty, express or implied. To the maximum extent permitted by law, the Mortgagee is hereby irrevocably appointed the attorney-in-fact of the Mortgagor in its name and stead to make all appropriate transfers and deliveries of the Mortgage Estate or any portions thereof so sold and, for that purpose, the Mortgagee may execute all appropriate instruments of transfer, and may substitute one or more persons with like power, the Mortgagor hereby ratifying and confirming all that said attorneys or such substitute or substitutes shall lawfully do by virtue hereof. Nevertheless, the Mortgagor shall ratify and confirm, or cause to be ratified and confirmed, any such sale or sales by executing and delivering, or by causing to be executed and delivered, to the Mortgagee or to such purchaser or purchasers all such instruments as may be advisable, in the judgment of the Mortgagee, for such purpose, and as may be designated in such request. Any sale or sales made under or by virtue of this Mortgage, to the extent not prohibited by law, shall operate to divest all the estate, right, title, interest, property, claim and demand whatsoever, whether at law or in equity, of the Mortgagor in, to and under the Mortgage Estate, or any portions thereof so sold, and shall be a perpetual bar both at law and in equity against the Mortgagor and against any and all persons claiming or who may claim the same, or any part thereof, by, through or under the Mortgagor. The powers and agency herein granted are coupled with an interest and are irrevocable.

(e) All rights of action under the Loan Instruments and this Mortgage may be enforced by the Mortgagee without the possession of the Loan Instruments and without the production thereof at any trial or other proceeding relative thereto.

#### Section 4.03. Application of Proceeds.

(a) The proceeds of any sale made either under the power of sale hereby given or under a judgment, order or decree made in any action to foreclose or to enforce this Mortgage, or

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of any monies held by the Mortgagee hereunder shall, to the maximum extent permitted by law, be applied:

(i) first to the payment of all costs and expenses of such sale, including the Mortgagee's attorneys' fees;

(ii) then to the payment of all charges, expenses and advances incurred or made by the Mortgagee in order to protect the lien and estate of this Mortgage or the security afforded hereby;

(iii) then to the payment in full of the Obligations, ratably in accordance with the respective amounts then due and owing or as the Banks may otherwise agree;

and after payment in full of all Obligations any surplus remaining shall be paid to the Mortgagor or to whomsoever may be lawfully entitled to receive the same.

(b) No sale or other disposition of all or any part of the Mortgage Estate pursuant to Section 4.02 hereof shall be deemed to relieve the Mortgagor of its obligations under the Credit Agreement or any other Loan Instrument except to the extent the proceeds thereof are applied to the payment of such obligations. If the proceeds of sale, collection or other realization of or upon the Mortgage Estate are insufficient to cover the costs and expenses of such realization and the payment in full of the Obligations, the Mortgagor shall remain liable for any deficiency.

Section 4.04. Right to Sue. The Mortgagee shall have the right from time to time to sue for any sums required to be paid by the Mortgagor under the terms of this Mortgage as the same become due, without regard to whether or not the Obligations shall be, or have become, due and without prejudice to the right of the Mortgagee thereafter to bring any action or proceeding of foreclosure or any other action upon the occurrence of any Default existing at the time such earlier action was commenced.

Section 4.05. Powers of the Mortgagee. The Mortgagee may at any time or from time to time renew or extend this Mortgage or (with the agreement of the Mortgagor) alter or modify the same in any way, or waive any of the terms, covenants or conditions hereof or thereof, in whole or in part, and may release or reconvey any portion of the Mortgage Estate or any other security, and grant such extensions and indulgences in relation to the Obligations, or release any person liable therefor as the Mortgagee may determine without the consent of any junior lienor or encumbrancer, without any obligation to give notice of any kind thereto, without in any manner affecting the priority of the lien and estate of this Mortgage on or in any

Illinois Term Loan Mortgage

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part of the Mortgage Estate, and without affecting the liability of any other person liable for any of the Obligations.

#### Section 4.06. Remedies Cumulative.

(a) No right or remedy herein conferred upon or reserved to the Mortgagee is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy under this Mortgage, or under applicable law, whether now or hereafter existing, the failure of the Mortgagee to insist at any time upon the strict observance or performance of any of the provisions of this Mortgage or to exercise any right or remedy provided for herein or under applicable law, shall not impair any such right or remedy nor be construed as a waiver or relinquishment thereof.

(b) To the maximum extent permitted by law, the Mortgagee shall be entitled to enforce payment and performance of any of the obligations of the Mortgagor and to exercise all rights and powers under this Mortgage or under any Loan Instrument or any laws now or hereafter in force, notwithstanding that some or all of the Obligations may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise; neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect the Mortgagee's right to realize upon or enforce any other security now or hereafter held by the Mortgagee, it being stipulated that the Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by the Mortgagee in such order and manner as the Mortgagee, in its sole discretion, may determine; every power or remedy given by the Credit Agreement, this Mortgage or any of the other Loan Instruments to the Mortgagee, or to which the Mortgagee is otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by the Mortgagee, and the Mortgagee may pursue inconsistent remedies.

Section 4.07. Waiver of Stay, Extension, Moratorium Laws; Equity of Redemption. To the maximum extent permitted by law, the Mortgagor shall not at any time insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of any applicable present or future stay, extension or moratorium law, which may affect observance or performance of the provisions of this Mortgage; nor claim, take or insist upon any benefit or advantage of any present or future law providing for the valuation or appraisal of the Mortgage Estate or any portion thereof prior to any sale or sales thereof which may be made under or by virtue of Section 4.02 hereof; and the Mortgagor, to the extent that it lawfully may, hereby waives all benefit or

advantage of any such law or laws. The Mortgagor for itself and all who may claim under it, hereby waives, to the maximum extent permitted by applicable law, any and all rights and equities of redemption from sale under the power of sale created hereunder or from sale under any order or decree of foreclosure of this Mortgage and (if a Default shall have occurred) all notice or notices of seizure, and all right to have the Mortgage Estate marshalled upon any foreclosure hereof. The Mortgagee shall not be obligated to pursue or exhaust its rights or remedies as against any other part of the Mortgage Estate and the Mortgagor hereby waives any right or claim of right to have the Mortgage proceed in any particular order.

## ARTICLE 5

### Miscellaneous

Section 5.01. Reconveyance by Mortgagee. Upon the payment in full of the Obligations, the Mortgagee shall release the lien of this Mortgage and reconvey, without warranty or covenant, any portion of the Mortgage Estate then held hereunder to the Mortgagor, or upon the request of the Mortgagor, and at the Mortgagor's expense, assign this Mortgage without recourse to the Mortgagor's designee, or to the person or persons legally entitled thereto, by an instrument duly acknowledged in form for recording.

Section 5.02. Notices. All notices, demands, consents, requests or other communications (collectively, "notices") that are permitted or required to be given by any party to the other hereunder shall be in writing and given in the manner specified in Section 11.02 of the Credit Agreement.

Section 5.03. Amendments; Waivers; etc. This Mortgage cannot be modified, changed or discharged except by an agreement in writing, duly acknowledged in form for recording, signed by the Mortgagor and the Mortgagee with the consent of the Banks as provided in the Credit Agreement. For purposes hereof, a statement by the Mortgagee in any modification or supplement to this Mortgage to the effect that such modification or supplement has been consented to by the Banks as provided in the Credit Agreement shall be conclusive evidence of such consent and it shall not be necessary for a copy of such consent to be recorded with such modification or supplement as a condition to such modification or supplement being recorded in the appropriate real estate records.

Section 5.04. Successors and Assigns. This Mortgage applies to, inures to the benefit of and binds each of the



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parties hereto and their respective successors and assigns and shall run with the Property.

Section 5.05. Captions. The captions or headings at the beginning of each Article and Section hereof are for the convenience of the parties hereto and are not a part of this Mortgage.

Section 5.06. Severability. If any term or provision of this Mortgage or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Mortgage, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Mortgage shall be valid and enforceable to the maximum extent permitted by law. If any portion of the Obligations shall for any reason not be secured by a valid and enforceable lien upon any part of the Mortgage Estate, then any payments made in respect of the Obligations (whether voluntary or under foreclosure or other enforcement action or procedure or otherwise) shall, for purposes of this Mortgage (except to the extent otherwise required by applicable law) be deemed to be made (i) first, in respect of the portion of the Obligations not secured by the lien of this Mortgage, (ii) second, in respect of the portion of the Obligations secured by the lien of this Mortgage, but which lien is on less than all of the Mortgage Estate, and (iii) last, to the portion of the Obligations secured by the lien of this Mortgage, and which lien is on all of the Mortgage Estate.

Section 5.07. Maximum Amount Secured. In no event shall the total amount of the obligations, including loan proceeds disbursed plus any additional charges, exceed \$150,000,000.

Section 5.08. Conflict or Inconsistency. Notwithstanding anything in this Mortgage to the contrary, in the event of a conflict or inconsistency between this Mortgage and the provisions of the Credit Agreement, the provisions of the Credit Agreement shall govern, and in the event of a conflict or inconsistency between this Mortgage and the provisions of the Security Agreement entered into pursuant to the Credit Agreement, the provisions of the Security Agreement shall govern.

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Obligations and interest thereon, shall have been paid in full and the Commitments of the Banks under the Credit Agreement and all Letter of Credit Liabilities and Acceptance Liabilities shall have expired or been terminated, the Mortgagee shall, at the expense of the Mortgagor, promptly cause all Property subject to the Liens created under the Loan Instruments to be released from such Liens.

Property of Cook County Clerk's Office

Illinois Term Loan Mortgage

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

WALDORF CORPORATION

By Bruce D. Kovalchuk  
Title: VP Finance

By Anita M. Gustafson  
Title: Secretary

Signed and acknowledged  
in the presence of.

D. D. Cairns  
Anita M. Gustafson

Property of Cook County Clerk's Office

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STATE OF NEW YORK )  
 ) SS:  
COUNTY OF NEW YORK )

On this 27 day of February, 1992, before me, the undersigned, a Notary Public in and for the State of New York, duly commissioned and sworn, personally appeared Bessie N. Kovalchuk to me known who, being by me duly sworn, did depose and say that [he] [she] resides at 4744 Morris Ave. St. Marys, Pa. that [he] [she] is the Vice President of WALDORF CORPORATION, the corporation described in and which executed the foregoing instrument; and that [he] [she] signed [his] [her] name thereto under authority of the board of directors of said corporation.

WITNESS my hand and seal hereto affixed the day and year first above written.

Margaret A. Kelly  
NOTARY PUBLIC in and for  
the State of New York.  
My Commission expires:

MARGARET KELLY  
Notary Public, State of New York  
No. 6787880  
Qualified in Queens County  
City And/or Filed in New York County  
Commission Expires May 31, 1993

Notary of Cook County Clerk's Office

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Illinois Revolving Credit/Loan Mortgage

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Property of Cook County Clerk's Office

Commission Expires May 31, 1993  
Cook County Clerk in Cook County  
Illinois  
Notary Public, State of Illinois  
MARSHALL WELLS

UNOFFICIAL COPY

STATE OF NEW YORK )  
 ) SS:  
COUNTY OF NEW YORK )

On this 27 day of February, 1992, before me, the undersigned, a Notary Public in and for the State of New York, duly commissioned and sworn, personally appeared Maria M. Kesteven to me known who, being by me duly sworn, did depose and say that [he] [she] resides at 22001 1st Ave. Rte. 9W, Waldorf, MD that [he] [she] is the Secretary of WALDORF CORPORATION, the corporation described in and which executed the foregoing instrument; and that [he] [she] signed [his] [her] name thereto under authority of the board of directors of said corporation.

WITNESS my hand and seal hereto affixed the day and year first above written.

Margaret E. Reilly  
NOTARY PUBLIC in and for  
the State of New York.  
My Commission expires:

MARGARET REILLY  
Notary Public, State of New York  
No. 4797890  
Qualified in Queens County  
Certificate # 112 in New York County  
Commission Expires May 31, 1992

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Property of Cook County Clerk's Office

COMMISSIONER OF THE GENERAL ASSEMBLY  
STATE OF ILLINOIS  
OFFICE OF THE CLERK OF THE GENERAL ASSEMBLY  
100 SOUTH LAUREL STREET, 11TH FLOOR  
SPRINGFIELD, ILLINOIS 62762

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## SCHEDULE I

### DESCRIPTION OF PROPERTY

The following land and premises located in Cook County, Illinois:

THAT PART OF LOT "B" IN THE SUBDIVISION BY THE CIRCUIT COURT COMMISSIONERS IN PARTITION OF THAT PART OF THE NORTHEAST 1/4 LYING SOUTH OF ILLINOIS AND MICHIGAN CANAL RESERVE OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO PLAT OF SAID SUBDIVISION RECORDED IN THE OFFICE OF THE RECORDER OF COOK COUNTY, ILLINOIS ON SEPTEMBER 5, 1893 IN BLOCK 59 OF PLATS, PAGE 32 AS DOCUMENT 1924571 BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF SOUTH PULASKI ROAD (FORMERLY SOUTH CRAWFORD AVENUE), SAID POINT BEING 723.00 FEET NORTH OF THE NORTH LINE OF DISTRICT BOULEVARD MEASURED ALONG SAID WEST LINE OF SOUTH PULASKI ROAD; THENCE SOUTHERLY ALONG SAID WEST LINE OF SOUTH PULASKI ROAD TO ITS INTERSECTION WITH THE NORTH LINE OF SAID DISTRICT BOULEVARD. THENCE WESTERLY ALONG SAID NORTH LINE OF DISTRICT BOULEVARD TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND 550 FEET WEST OF SAID WEST LINE OF SAID SOUTH PULASKI ROAD; THENCE NORTHERLY ALONG SAID PARALLEL LINE TO THE INTERSECTION WITH A LINE PARALLEL WITH AND 639.00 FEET NORTH OF SAID NORTH LINE OF DISTRICT BOULEVARD; THENCE EASTERLY ALONG SAID LAST DESCRIBED PARALLEL LINE A DISTANCE OF 281.73 FEET TO A POINT; THENCE NORTHERLY ALONG A LINE PARALLEL WITH SAID WEST LINE OF SOUTH PULASKI ROAD A DISTANCE OF 84.00 FEET; THENCE EASTERLY ALONG A LINE 723.00 FEET NORTH OF AND PARALLEL WITH THE NORTH LINE OF SAID DISTRICT BOULEVARD TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

Property Address: 4200 S. Poulaski Road

Tax Identification Numbers:

- (1) 19-03-201-004-0000
- (2) 19-03-201-005-0000

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Illinois Term Loan Mortgage