

TOGETHER with all buildings, structures and improvements now or hereafter erected thereon and all materials intended for construction, reconstruction, alteration and repair of such buildings, structures and improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the real estate immediately upon the delivery thereof to the premises, and also all machinery, apparatus, equipment, goods, systems and fixtures of every kind and nature now or hereafter located in or upon or affixed to said real estate or any part thereof, owned or hereafter acquired by Mortgagor and used or usable in connection with any present or future operation of the building on the real estate, including without limitation, all heating, lighting, refrigerating, ventilating, air conditioning, air cooling, lifting, fire extinguishing, plumbing, cleaning, communications, and power equipment, systems and apparatus, all gas, water and electrical equipment, systems and apparatus; all engines, motors, tanks, pumps, screens, storm doors, storm windows, shades, blinds, awnings, floor coverings, cabinets, partitions, conduits and compressors; and all items of furniture, furnishings, equipment and personal property owned by Mortgagor and used in the operation of said real estate; it being understood and agreed that all such machinery, equipment, apparatus, goods, systems and fixtures are or will become a part of the real estate and are acknowledged to be a portion of the security for the indebtedness secured hereby and covered by this Mortgage; and as to any of the

TOGETHER with all easements, rights of way, licenses, privileges, tenements, hereditaments and appurtenances belonging thereto and all rents, issues, proceeds and profits therefrom, including all right, title, estate and interest of Mortgagor herein at law or in equity;

NOW, THEREFORE, Mortgagor to secure payment of the indebtedness due or to become due pursuant to the Note, this Mortgage and the Security Agreement, and the performance of the covenants herein and therein contained to be performed, kept and observed by Mortgagor and/or Beneficiary, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged does hereby MORTGAGE, GRANT and CONVEY unto Mortgagee, its successors and assigns, the real estate situated in the City of Chicago, County of Cook and State of Illinois, as more particularly described in Exhibit "B" attached hereto and made a part hereof.

WHEREAS, Mortgagee requires that the prompt payment of the Note, including the interest due in accordance with the terms thereof, and any additional indebtedness accrued by the Security Agreement to the Note, be secured by this Mortgage and further herewith (the "Security Agreement") executed and delivered by the beneficiary of Mortgagor ("Beneficiary") to Mortgagee;

WHEREAS, Mortgagor AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, has executed and delivered to Mortgagee, an Adjustable Rate Construction Loan Note of THOUSAND AND NO/100-- Dollars (\$1,900,000.00), which bears interest at the rates, and is payable in installments and on the dates, provided for therein, with a final payment, if not sooner paid, on MAY 1, 2012, and which Adjustable Rate Construction Loan Note together with all notes delivered in substitution or exchange thereof are hereinafter collectively called the "Note." A true and correct copy of the Note is attached as Exhibit "A" and hereto and made a part hereof; and

THIS CONSTRUCTION LOAN MORTGAGE AND SECURITY AGREEMENT WITH COLLATERAL ASSIGNMENT OF LEASES AND RENTS (this "Mortgage") made this 1st day of MAY, 1992, between AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but as Trustee under Trust Agreement dated APRIL 20, 1990, and known as Trust Number 110859-09 the "Mortgagor") and COMMUNITY INVESTMENT CORPORATION having its principal place of business at 600 South Federal Street, Chicago, IL 60605 ("Mortgagee" therein).

CONSTRUCTION LOAN MORTGAGE AND SECURITY AGREEMENT WITH COLLATERAL ASSIGNMENT OF LEASES AND RENTS [NONRECOURSE]

92341854

92341854

RECITALS

DEPT-01 RECORDING 475.00  
145333 FROM 5378 05/18/92 15:21:00  
43356 # C \* - 2 - 34 1854  
COOK COUNTY RECORDER

92341854

206679

UNOFFICIAL COPY

Property of Cook County Clerk's Office

11/11/11

All such payments described in this paragraph 2 shall be held by Mortgagee or the depository designated by Mortgagee, in trust, without accruing or any obligation arising for the payment of interest thereon. When the indebtedness secured hereby has been paid in full, any remaining deposits to be maintained hereunder are hereby pledged as additional security for the prompt payment of the Note and any other indebtedness secured hereby and shall be applied for the purposes herein expressed and shall not be subject to the direction or control of Mortgagee or Beneficiary.

(b) a sum equal to an installment of the premium or premiums that will become due and payable to renew the insurance required under paragraph 4 hereof. Each installment shall be in an amount which, with the payment of approximately equal installments will result in the accumulation of a sufficient sum of money to pay renewal premiums upon such policies of insurance at least thirty (30) days before the expiration date or dates of the policy or policies to be renewed.

(a) a sum equal to the amount estimated by Mortgagee as sufficient together with the payment of approximately equal installments as will result in the accumulation of a sufficient amount of money to pay all Impositions (as hereinafter defined) falling due with respect to the mortgaged Premises, at least thirty (30) days before the applicable due date;

principal indebtedness evidenced by the Note is paid, the following: Mortgagee and Beneficiary will deposit monthly with Mortgagee or a depository designated by Mortgagee, in addition to the monthly installments of interest or principal due on the Note, and concurrently therewith, until the

2. OTHER PAYMENTS.

Mortgagee and Beneficiary will pay all principal and interest due on the Note and any prepayment premiums or late charges required hereunder, and the principal of, and interest on, any future Advances (as hereinafter defined) secured by this Mortgage, and will otherwise comply with the terms and conditions of the Note, at the times and in the manner therein provided.

1. PAYMENT AND COMPLIANCE WITH NOTE.

MORTGAGOR AND BENEFICIARY, for itself, its successors and assigns, HEREBY COVENANTS AND AGREES WITH MORTGAGEE that:

TO HAVE AND TO HOLD the Mortgaged Premises unto Mortgagee, its successors and assigns, forever, for the uses and purposes set forth herein. Mortgagee covenants that at the time of the execution and delivery of this Mortgage it holds fee simple title to the Mortgaged Premises and has the right and power, and has been duly authorized and directed, to grant, mortgage and convey the same in the manner and form herein provided; and that the Mortgaged Premises are free from all liens and encumbrances whatsoever excepting only the lien of general and special real estate taxes not yet due and payable; and the Junior mortgage liens in favor of the ILLINOIS HOUSING DEVELOPMENT AUTHORITY securing a \$500,000 loan, and in favor of the CITY OF CHICAGO, securing a \$1,000,000.00 loan and a \$1,500,000.00 loan, (collectively "Junior Mortgage Liens" herein); and that Mortgagee and Beneficiary will defend the rights and privileges accruing to Mortgagee on account of this Mortgage forever against all lawful claims and demands whatsoever. THIS MORTGAGE IS GIVEN TO SECURE: (i) payment of the indebtedness secured hereby and (ii) the performance of each and every of the covenants, conditions and agreements contained in the Note, this Mortgage and the Security Agreement or in any other instrument to which reference is expressly made in this Mortgage. MORTGAGOR AND BENEFICIARY, for itself, its successors and assigns, HEREBY COVENANTS AND AGREES WITH MORTGAGEE that: aforesaid property which does not so form a part of the real estate or does not constitute a "fixture" [as defined in the Uniform Commercial Code of the State of Illinois (the "Code")], this Mortgage is hereby deemed to be a Security Agreement under the Code for the purpose of creating a security interest in such property, which Mortgagee hereby grants to Mortgagee as "Secured Party" (as defined in the Code); all of the foregoing, taken together with the real estate, are hereinafter sometimes collectively referred to as the "Mortgaged Premises."

92341854

UNOFFICIAL COPY

Property of Cook County Clerk's Office

The delivery to Mortgagee of any policy or policies of insurance required to be maintained hereunder, or any renewals thereof, shall constitute an assignment to Mortgagee of all unearned premiums thereon as further security for the payment of the indebtedness secured hereby. In the event of a foreclosure action or other transfer of title to the Mortgaged Premises in extinguishment of the debt secured hereby, all right, title and interest

All policies of insurance required hereunder shall be in form with companies and in amounts acceptable to Mortgagee and shall contain standard mortgage clauses attached to or incorporated therein in favor of Mortgagee, including a provision requiring that the coverage evidenced thereby shall not be terminated or materially modified without thirty (30) days prior written notice to Mortgagee. Mortgagee and Beneficiary will seek to have a waiver of subrogation endorsements added where applicable. Mortgagee and Beneficiary will deliver to Mortgagee the originals of all insurance policies, or certificates thereof with copies of the original policies, and all additional, renewal or replacement policies not less than thirty (30) days prior to their respective expiration dates.

Such other insurance in amounts and against such insurable risks as Mortgagee may from time to time reasonably require Comprehensive liability and property damage insurance in forms, amounts and with companies satisfactory to Mortgagee; and

A property insurance policy written on an all-risk basis insuring the Mortgaged Premises against loss by fire, hazards included within the term "extended coverage" and such other hazards as Mortgagee may require, with an agreed amount and endorsement equal to at least 80% of the insurable value, of all buildings, improvements and contents comprising the Mortgaged Premises; to comply with 80% co-insurance requirements, provided that insurance coverage shall never be less than the outstanding balance of the loan;

Mortgagor and Beneficiary will keep and maintain, at its sole cost and expense, the following insurance policies with respect to the Mortgaged Premises:

INSURANCE.

Mortgagor and Beneficiary will pay, or cause to be paid, all taxes, assessments, general or special, and other charges levied on or assessed, placed, confirmed or made against the Mortgaged Premises, or which become a lien upon or against the Mortgaged Premises or any portion thereof or which become payable with respect thereto or with respect to the use, occupancy or possession thereof ("impositions" herein). Mortgagee and Beneficiary will furnish to Mortgagee a receipt evidencing payment of all applicable impositions within sixty (60) days of the applicable due date. Mortgagee and Beneficiary reserve the right to contest real estate tax payments provided Mortgagee or Beneficiary gives written notice to Mortgagee of such contest and tenders to the Mortgagee such security for the payment of real estate taxes and protection of the security of this Mortgage as the Mortgagee may require not later than ten (10) business days prior to the due date for the tax.

PAYMENT OF TAXES.

Neither Mortgagee nor any depository designated by Mortgagee shall be liable for any failure to make the payments of insurance premiums or impositions unless Mortgagee or Beneficiary, while not in default hereunder, shall have requested Mortgagee or such depository to make application of such deposits to the payment of the particular insurance premiums or impositions, accompanied by the bills for such insurance premiums or impositions. Notwithstanding the foregoing Mortgagee may, at its option, make or cause the depository to make any such application of the aforesaid deposits without any direction or request to do so by Mortgagee or Beneficiary.

If the funds so deposited are insufficient to pay, when due, all impositions or premiums as aforesaid, Mortgagee and Beneficiary will deposit, within ten (10) days after receipt of demand therefor, such additional funds as may be necessary to pay such impositions or premiums. If the funds deposited exceed the amounts required to pay such taxes, the excess shall be applied on a subsequent deposit or deposits.

158116225

UNOFFICIAL COPY

Property of Cook County Clerk's Office

In the event Mortgagee elects to apply such proceeds to restoring the improvements, such proceeds shall be made available, from time to time, upon Mortgagee being furnished with satisfactory evidence of the estimated cost of such restoration and with architect's certificates, waivers of lien, contractors' sworn statements and other evidence of cost and of estimated cost of the work exceeds ten percent (10%) of the original principal amount of the indebtedness secured hereby, with all plans and specifications for such rebuilding or restoration as Mortgagee may

In the event of damage to or destruction of the Mortgaged Premises, in whole or in part, Mortgagee may make the proceeds received under any insurance policy available to Mortgagee and Beneficiary for the rebuilding and restoration of the Mortgaged Premises, subject to the following conditions: (a) Mortgagee or Beneficiary is not then in default under any of the terms, covenants and conditions of this Mortgage, the Security Agreement or the Note; (b) all then-existing leases shall continue in full force and effect without reduction or abatement of rental (except during the period of untenantability); (c) Mortgagee shall be given satisfactory proof that such improvements have been fully restored, or that by the expenditure of such proceeds will be fully restored, free and clear of all liens, except as to the lien of this Mortgage and the Junior Mortgage Liens, if any; (d) if such proceeds are insufficient to restore or rebuild the improvements, Mortgagee and Beneficiary will deposit promptly with Mortgagee the amount deficient in order to restore or rebuild improvements; (e) if Mortgagee or Beneficiary fails within a reasonable period of time, subject to delays beyond its control, to restore or rebuild the improvements, then Mortgagee, at its option, may restore or rebuild the improvements, for or on behalf of Mortgagee and Beneficiary and for such purposes may do all necessary acts, including using the funds deposited by Mortgagee or Beneficiary pursuant to this Mortgage; (f) waiver of the right of subrogation shall be obtained from any insurer under such policies of insurance who, at that time, claims that no liability exists as to Mortgagee or the assured under such policies and (g) the excess of said insurance proceeds above the amount necessary to complete such restoration shall be applied as a credit upon any portion of the indebtedness secured hereby. In the event any of the foregoing conditions are not or cannot be satisfied, then Mortgagee may use or apply the proceeds as a credit upon any portion of the indebtedness hereby secured. Under no circumstances shall Mortgagee become personally liable for the fulfillment of the terms, covenants and conditions contained in any leases with respect to the Mortgaged Premises nor become obligated to take any action to restore the improvements comprising the Mortgaged Premises.

DAMAGE OR DESTRUCTION.

of Mortgagee and Beneficiary in and to any policy or policies of insurance then in force will pass to the purchaser or grantee thereof subject to the rights of the holders of the Junior Mortgage Liens.

D. In the event of any loss to or damage of the Mortgaged Premises by fire or other casualty, Mortgagee or Beneficiary will give immediate notice thereof to Mortgagee and Mortgagee may thereupon make proof of loss or damage if the same is not promptly made by Mortgagee or Beneficiary or the holder of any of the Junior Mortgage Liens, if any. Subject to the rights of the holder of any of the Junior Mortgage Liens, if any, all proceeds of insurance shall be payable to Mortgagee and each insurance company with which a claim is filed is authorized and directed to make payment thereof directly to Mortgagee. Provided an Event of Default has not occurred or is existing, Mortgagee or Beneficiary shall be authorized and empowered to settle, adjust or compromise any claim for loss, damage or destruction under any policy or policies of insurance; provided, however, that if the same is not effected by Mortgagee or Beneficiary within ninety (90) days of such loss or damage, Mortgagee may settle, adjust or compromise such claim without notice to or the consent of Mortgagee or Beneficiary. Subject to the rights of the holder of any of the Junior Mortgage Liens, if any, all insurance proceeds shall, in the sole discretion of Mortgagee, be applied to the restoration, repair, replacement or rebuilding of the Mortgaged Premises or to and in reduction of any indebtedness secured by this Mortgage.

92341854

UNOFFICIAL COPY

Property of Cook County Clerk's Office



To the extent required by Mortgagee or the holder of any of the Junior Mortgage Liens, if any, Mortgagee and Beneficiary will promptly repair, restore, replace or rebuild any part of the Mortgaged Premises which may be damaged or destroyed by fire or other casualty or taken under power of eminent domain.

Mortgagor and Beneficiary grant to Mortgagee and any person authorized to act on behalf of Mortgagee the right to enter upon the Mortgaged Premises and inspect the same at all reasonable times, provided however, nothing contained herein shall be construed as an obligation on the part of Mortgagee to make such inspections.

Mortgagor and Beneficiary will keep and maintain, or cause to be kept and maintained, the Mortgaged Premises in good order, condition and repair and will make, or cause to be made, as and when necessary, all repairs, renewals and replacements, as and when necessary, structural and non-structural, exterior and interior, ordinary and extraordinary. Mortgagee and Beneficiary will refrain from and shall not permit or suffer the commission of waste in or about the Mortgaged Premises nor remove, demolish or alter the structural character of any improvements at any time erected on the Mortgaged Premises except in accordance with the provisions of the Construction Loan Agreement hereinafter described and otherwise upon the prior written consent of the Mortgagee. All rehabilitation to and construction performed in, on or about the Mortgaged Premises shall be in strict conformance with the provisions of paragraphs 5, 6, 8 and 9 hereof.

7. MAINTENANCE OF MORTGAGED PREMISES.

In the event Mortgagee elects to apply such award to restoring the improvements, the proceeds thereof shall be made available upon the terms and conditions set forth in subparagraph 5B above.

In the event of any damage or taking by eminent domain of less than all of the Mortgaged Premises, Mortgagee shall make available the proceeds of any award received in connection with and in compensation for any such damage or taking for the purpose of rebuilding and restoring the Mortgaged Premises, subject to the terms and conditions set forth in subparagraph 5A, above. In the event any of the foregoing conditions are not or cannot be satisfied, then Mortgagee may use or apply the award as a credit against any portion of that indebtedness hereby secured. Under no circumstances shall Mortgagee become personally liable for the fulfillment of the terms, covenants, and conditions contained in any lease with respect to the Mortgaged Premises nor become obligated to take any action to restore the improvements.

All awards heretofore or hereafter made or to be made to Mortgagor and Beneficiary by any governmental or other lawful authority for any taking, by condemnation or eminent domain of the whole or any part of the Mortgaged Premises or any improvement located thereon or any easement therein or appurtenant thereto are hereby assigned by Mortgagor and Beneficiary to Mortgagee, which award Mortgagee is hereby authorized to collect and receive from the condemnation authorities, and Mortgagee is hereby authorized to give appropriate receipts and acquittances therefor, in the same manner as is set forth in paragraph 5 above with respect to insurance proceeds received subsequent to a fire or other casualty affecting all or any part of the Mortgaged Premises. Mortgagee and Beneficiary covenant and agree to give immediate notice to Mortgagee of the actual or threatened commencement of any such proceedings under condemnation or eminent domain affecting all or any part of the Mortgaged Premises.

6. CONDEMNATION.

Reasonably require and approve. No payment made prior to the final completion of the work shall exceed ninety percent (90%) of the value of the work performed, from time to time, and at all times the undisbursed balance of said proceeds remaining in the hands of the Mortgagee shall be at least sufficient to pay for the cost of completion of the work, free and clear of all liens.

0001854

UNOFFICIAL COPY

Property of Cook County Clerk's Office

92341834

Mortgagee and Beneficiary shall not, without the prior written consent of Mortgagee first obtained, option, sell, contract to sell, assign, transfer, mortgage, pledge, or otherwise dispose of or encumber, whether by operation of law or otherwise, any or all of its interest in the Mortgages. Any option, sale, contract, assignment, transfer, mortgage, pledge or other disposition or encumbrance made without Mortgagee's prior written consent shall give Mortgagee the right, at its option, to accelerate the indebtedness secured by this Mortgage causing the full principal balance, accrued interest and prepayment premium, if applicable, to become immediately due and payable. The Beneficial interest in or the power of direction under the trust holding trust of the Mortgages shall not be sold, transferred, assigned, pledged or conveyed, in whole or in part, without the prior written consent of the Mortgagee first obtained. If the owner of any portion of said Beneficial interest is a partnership, the owner shall not suffer or permit any change in the ownership or substitution or withdrawal of fifty percent (50%) or greater interest in the portion of said Beneficial interest is a corporation, the owner shall not suffer or permit any sale, assignment or other transfer of fifty percent (50%) or more of the stock of said owner, without the prior written consent of the Mortgagee.

Any such sale, transfer, assignment, pledge, conveyance or substitute made without the Mortgagee's prior written consent shall give the Mortgagee the right, at its sole option, to accelerate the indebtedness secured by this Mortgage causing the full principal balance and accrued interest to be immediately due and payable.

11. SALES, TRANSFER, ASSIGNMENT OR ADDITIONAL ENCUMBRANCE.

The indebtedness evidenced by the Note and secured by this Mortgage is to be used for the rehabilitation of certain buildings, structures and improvements on the real estate herein described in accordance with the provisions of the Construction Loan Agreement among Mortgagee, Beneficiary and other parties dated of even date herewith ("Construction Loan Agreement"). Mortgagee and Beneficiary covenant that they will perform all the terms, covenants, and conditions of the Construction Loan Agreement to be kept and performed by Mortgagee and Beneficiary. All advances and indebtedness arising and accruing under the Construction Loan Agreement from time to time shall be secured hereby to the same extent as though the Construction Loan Agreement were fully incorporated in this Mortgage. The occurrence of an event of default under the Construction Loan Agreement which is not cured within the applicable grace period, shall constitute an Event of Default under this Mortgage entitling Mortgagee to all of the rights and remedies conferred upon Mortgagee by the terms of the Note, the Security Agreement and this Mortgage. In the event of any conflict between the terms of this Mortgage, the Note or the Security Agreement and the terms of the Construction Loan Agreement (including without limitation provisions, relating to notice or waiver thereof), those of the Construction Loan Agreement shall prevail over those of the Note, the Security Agreement and this Mortgage.

10. CONSTRUCTION LOAN AGREEMENT.

Mortgagee shall have the right to inquire and receive information as to the status of the Land Trust and the Beneficial interest of such Trust including the right to receive, upon demand, certified copies of the Trust Agreement, assignments of Beneficial interest, and other information from the Trustee as the Mortgagee may reasonably require.

9. REPORTS.

Mortgagee and Beneficiary will promptly comply, or cause compliance with, all present and future laws, rules, ordinances, regulations and other requirements of each and every governmental authority having jurisdiction over the Mortgages with respect to the construction, rehabilitation, use or operation of the Mortgages or any portion thereof.

8. COMPLIANCE WITH LAWS.

UNOFFICIAL COPY

Property of Cook County Clerk's Office

18210201

12. LATE CHARGE.
- In the event any installment or other amount due hereunder shall be delinquent and remain unpaid as of the fifteenth (15th) day of the month in which such payment is due during the period when interest alone is payable, or as of the first (1st) day of the month following the month in which such payment is due during the period when installments of principal and interest are payable, there shall be due at the option of the Mortgagee, a sum equal to five percent (5%) of the amount of such delinquency.
13. PREPAYMENT PRIVILEGE.
- Privilege is reserved to prepay in whole or in one or more monthly installments of principal upon thirty (30) days prior written notice to the Mortgagee without penalty, premium or charge.
14. PRIORITY OF LIEN: AFTER-ACQUIRED PROPERTY.
- A. This Mortgage is and will be maintained as a valid mortgage lien on the Mortgaged Premises, subject only to the Junior Mortgage Liens, if any, and shall at all times be prior and superior to any other mortgage or trust deed securing any obligations now or hereafter becoming or falling due. Mortgagee and Beneficiary will not, directly or indirectly, create or suffer or permit to be created, or to stand against the Mortgaged Premises, or any portion thereof, or against the rents, issues and profits therefrom, any lien, security interest, encumbrance or charge either prior or subordinate to or on a parity with the lien of this Mortgage, with the exception of the Junior Mortgage Liens, if any, and the lien of general or special real estate taxes not delinquent.
- B. Mortgagee and Beneficiary will keep and maintain the Mortgaged Premises free from all liens for mortgages due and payable to persons furnishing labor or providing materials to the Mortgaged Premises in connection with any rehabilitation, construction, modification, repair or replacement thereof. If liens shall be filed against the Mortgaged Premises, Mortgagee and Beneficiary agree to immediately cause the same to be discharged of record or insured over by the title insurer.
- C. In no event shall Mortgagee and Beneficiary do, or permit to be done, or omit to do, or permit the omission of, any act or thing, the doing of which, or omission to do which, would impair the security of this Mortgage except for the Regulatory Agreements between Mortgagee, Beneficiary and Junior Mortgage Lien holders. Mortgagee and Beneficiary shall not initiate, join in or consent to any change in any private restriction or agreement materially changing the uses which may be made of the Mortgaged Premises or any part thereof without the prior written consent of Mortgagee first obtained.
- D. All property of every kind acquired by Mortgagee and Beneficiary after the date hereof which is required or intended by the terms of this Mortgage to be subjected to the lien of this Mortgage shall, immediately upon the acquisition thereof by Mortgagee and Beneficiary, and without any further mortgage, conveyance, assignment or transfer, become subject to the lien and security of this Mortgage. Mortgagee and Beneficiary will do such further acts and execute, acknowledge and deliver such further conveyances, mortgages, security agreements, financing statements and assurances as Mortgagee shall reasonably require for accomplishing the purposes of this Mortgage.
- E. If any action or proceeding shall be instituted to evict Mortgagee and Beneficiary, to recover possession of the Mortgaged Premises or any part thereof or to accomplish any other purpose which would materially affect this Mortgage or the Mortgaged Premises, Mortgagee and Beneficiary will immediately upon service of notice thereof, deliver to Mortgagee a true copy of each petition, summons, complaint, notice of motion, order to show cause or other process, pleadings, or papers however, designated, served in any such action or proceeding.

UNOFFICIAL COPY

Property of Cook County Clerk's Office



UNOFFICIAL COPY

Property of Cook County Clerk's Office



- A. If a default shall occur in the performance or observance of any covenant, term, provision or condition of this Mortgage to be performed or observed by Mortgagee or Beneficiary which default shall remain uncured after a date specified by Mortgagee in written notice to Mortgagee and Beneficiary (30) day; from the effective date of such notice; or
- B. If an Event of Default (as therein defined) shall have occurred under the Note; or
- C. If an Event of Default (as therein defined) shall have occurred under the Security Agreement; or
- D. If an Event of Default (as therein defined) shall have occurred under the Construction Loan Agreement; or
- E. If an event of default shall have occurred under a loan agreement or other undertakings by Beneficiary of Mortgagee, and such event of default results in the acceleration of the maturity of any indebtedness of Beneficiary or Mortgagee to a third party, which indebtedness is secured by a lien on the Mortgagee Premises; or
- F. If Mortgagee or Beneficiary shall file a petition for protection from creditors under any of the provisions of the Federal Bankruptcy Code or State Insolvency Laws or any creditor of Mortgagee or Beneficiary shall file an involuntary petition against Mortgagee or Beneficiary under any of the provisions of the Federal Bankruptcy Code or State Insolvency Laws which is not dismissed within sixty (60) days after the filing of such involuntary petition; or
- G. If Mortgagee or Beneficiary shall make a further assignment of the rents, issues or profits of the Mortgagee Premises, or any part thereof, without the prior written consent of Mortgagee other than to prior Mortgage Lien holders; or
- H. If any representation or warranty made by Mortgagee or Beneficiary in this Mortgage, or made heretofore or contemporaneously herewith by Mortgagee or Beneficiary in any other instrument, agreement or written statement in any way related hereto or to the loan transaction with which this Mortgage is associated, shall prove to have been false or incorrect in any material respect on or as of the date when made and such falsity or incorrectness shall materially affect the security of this Mortgage; or
- I. If rehabilitation of and construction on the Mortgagee Premises is delayed for any reason and in the judgment of Mortgagee there is reasonable doubt as to the ability of Mortgagee and Beneficiary to complete construction on or before the completion date specified in the Construction Loan Agreement ("Completion Date"); or

19. EVENTS OF DEFAULT.

Upon the occurrence or existence of an Event of Default, Mortgagee, or any authorized agent of Mortgagee or any judicially-appointed receiver, shall be entitled to enter upon, take possession of and manage the Mortgagee Premises and to collect the rents therefrom including any rents past due. All rents collected by any of the foregoing parties shall be applied first to payment of the costs of management of the Mortgagee Premises and collection of rents, including without limitation receiver's fees, premiums or bonds and reasonable attorneys' fees and expenses, and then to the sums secured by this Mortgage. Any such party shall be liable to account only for the rents actually received.

Mortgagee incur any liability, loss or damage under said leases or under or by reason of the assignment thereof, or in the defense of any claims or demands made in connection therewith, the amount thereof, including without limitation reasonable attorneys' fees and expenses, shall be secured hereby, and shall become immediately due and payable upon demand with interest at the Default Interest Rate from the date of advancement by Mortgagee until paid.

92341854

UNOFFICIAL COPY

Property of Cook County Clerk's Office

PSB110000

then, in any such event, at the option of the Mortgagee, the entire unpaid balance due on the Note and all accrued and unpaid interest thereon, and any other sums secured hereby shall become due and payable and thereafter each of said amounts shall bear interest at the Default Interest Rate. All costs and expenses incurred by, or on behalf of, Mortgagee (including without limitation reasonable attorney's fees and expenses) occasioned by any Event of Default by Mortgagee or Beneficiary hereunder shall become immediately due and payable and shall bear interest at the Default Interest Rate from the date of advancement until paid. After the occurrence or existence of an Event of Default, Mortgagee may institute, or cause to be instituted, proceedings for the realization of its rights under this Mortgage, the Note or the Security Agreement.

- J. If construction is abandoned for a period of thirty (30) days or is not completed on or before Completion Date; or
- K. If Mortgagee shall disapprove for cause, at any time, any construction work on the Mortgaged Premises and the failure of Mortgagee and Beneficiary to commence to correct such work to the reasonable satisfaction of Mortgagee within fifteen (15) days after written notice of such disapproval is given to Mortgagee or Beneficiary; or
- L. If, after delivery of a draw request, Mortgagee and Beneficiary is unable to satisfy any condition of its right to the receipt of the advance requested pursuant thereto within the period of forty-five (45) days after delivery thereof; or
- M. If a lien for the performance of work or the supplying of materials is filed against the Mortgaged Premises and is not promptly discharged by Mortgagee or Beneficiary or insured over by the title insurer, subject to Mortgagee and Beneficiary's right to contest, under law, such lien(s) as set forth in the Construction Loan Agreement; or
- N. If the Mortgaged Premises becomes subject to any lien not previously approved by Mortgagee, or any action by any holder of a Junior Lien, whether approved by Mortgagee, or not, to take possession, to collect rents, to foreclose, or to otherwise enforce rights against Mortgagee and Beneficiary or the Mortgaged Premises; or
- O. If the general contractor or the major subcontractor(s) identified in the Construction Loan Agreement become bankrupt or insolvent and Mortgagee and Beneficiary fails to procure a new general contractor or subcontract with a new contractor or subcontractor satisfactory to Mortgagee within forty-five (45) days from the later of (i) the occurrence of such bankruptcy or insolvency, or (ii) the rejection of such general contract or subcontract by the bankruptcy trustee; or
- P. If, at any time during the term of the Note, the loan associated with this Mortgage becomes out of balance and, within fourteen (14) days after notice thereof, Mortgagee and Beneficiary have not deposited with Mortgagee the amount by which the loan is out of balance. For purposes hereof, the loan shall be deemed out of balance if the amount necessary to complete the rehabilitation of and construction on the Mortgaged Premises as determined by the Mortgagee exceeds the amount available from the balance of the proceeds of the loans secured by this Mortgage and the Junior Mortgage Liens, if any.
- Q. If all or any part of the Mortgaged Premises or any interest therein is sold, transferred, pledged or conveyed or becomes subject to a contract or option for sale or if the beneficial interest in or power of direction under the title holding trust of the Mortgaged Premises is sold, transferred, assigned, pledged, or conveyed, in whole or in part (including without limitation a collateral assignment thereof to any person other than Mortgagee or the holders of the Junior Mortgage Liens), in, or substitution or withdrawal of fifty percent (50%) or greater interest in the owner, or if the owner is a corporation, any sale, assignment, pledge or other transfer of fifty percent (50%) or more of the stock of said owner,

UNOFFICIAL COPY

Property of Cook County Clerk's Office

92341654

Upon the occurrence or existence of an Event of Default, Mortgagee may at any time thereafter, at its election and to the extent permitted by law:

- A. Proceed at law or in equity to foreclose the lien of this Mortgage as against all or any part of the Mortgaged Premises and to have the same sold under the judgment or decree of a court of competent jurisdiction.
- B. Advertise the Mortgaged Premises or any part thereof for sale and thereafter sell, assign, transfer and deliver the whole, or from time to time any part, of the Mortgaged Premises, or any interest therein, at private sale or public auction, with or without demand upon Mortgagee, for cash, on credit or in exchange for other property, for immediate or future delivery, and for such price on such other terms as Mortgagee may, in its discretion, deem appropriate or as may be required by law. The exercise of this power of sale by Mortgagee shall be in accordance with the provisions of any statute of the state in which the Mortgaged Premises are located, now or thereafter in effect, which authorizes the foreclosure of a mortgage by power of sale or any statute expressly amending the foregoing;
- C. Enter upon and take possession of the Mortgaged Premises or any part thereof by force, summary proceedings, ejectment or otherwise, and remove Mortgagee and all other persons and property therefrom, and take actual possession of the Mortgaged Premises, or any part thereof, personally or by its or their respective agents or attorneys, together with all documents, books, records, papers and accounts of Mortgagee and Beneficiary relating to the Mortgaged Premises and may exclude Mortgagee and Beneficiary, their respective agents or servants, wholly therefrom and may, as attorney in fact and agent of Mortgagee and Beneficiary, or in its or their own name and stead and under the powers herein granted: (i) hold, operate, manage, and control the Mortgaged Premises and conduct the business thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns, may be deemed proper or necessary to enforce the payment or security of the avals, rents, issues, and profits of the Mortgaged Premises, including actions for recovery of rents, actions in forcible detainer and actions to exercise each and every right, hereby granting full power and authority to exercise each and every right, privilege, and power herein granted at any and all times hereafter, without notice to Mortgagee or Beneficiary; (ii) cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagee or Beneficiary to cancel the same; (iii) elect to disaffirm any lease or sublease made subsequent to this mortgage or subordinate to the lien hereof; (iv) extend or modify any then existing leases and make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to leases to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder and the issuance of a deed to a purchaser at a foreclosure sale, it being understood and agreed that any such leases, and the options of other such provisions contained therein, shall be binding upon Mortgagee and Beneficiary and all persons whose interest in the Mortgaged Premises are subject to the lien hereof and also upon the purchaser or purchasers at any foreclosure sale, notwithstanding any discharge or issuance of any certificate of sale or deed to any purchaser; (v) make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Mortgaged Premises as Mortgagee may deem judicious, to insure and reinsure the Mortgaged Premises and all risks incidental to Mortgagee's possession, operation and management thereof and to receive all avals, rents, issues, and profits. Mortgagee shall not be under any liability for or by reason of such entry, taking of possession, removal, holding, operation or management, except that any amounts so received shall be applied as hereinafter provided in this paragraph; and

UNOFFICIAL COPY

Property of Cook County Clerk's Office

52031025

Make application for the appointment of a receiver for the Mortgaged Premises, whether such receivership be incident to a proposed sale of the Mortgaged Premises or otherwise, and Mortgagor and Beneficiary hereby consents to the appointment of a receiver and agrees not to oppose any such appointment and, further, agrees that Mortgagor may be appointed the receiver of the Mortgaged Premises. Each receiver shall have the power to take possession and maintain control over the Mortgaged Premises and to collect the rents, issues and profits during the pendency of a foreclosure suit, as well as during any further times when Mortgagor and Beneficiary except for the intervention of such receiver, would be entitled to collect such rents, issues, and profits and all other powers which may be necessary or are useful for the protection, possession, control, management, and operation of the Mortgaged Premises during the whole of said period. To the extent permitted by law, any receiver may be authorized by the court to extend or modify any then-existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire beyond that maturity date of the indebtedness secured hereunder, it being understood and agreed that any such leases and the options or other provisions contained therein shall be binding upon Mortgagor and Beneficiary and all persons whose interests in the Mortgaged Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any discharge of the mortgage indebtedness, satisfaction of any foreclosure decree or issuance of any certificate of sale or deed to any purchaser.

Mortgagor and Beneficiary agree that Mortgagor may be a purchaser of the Mortgaged Premises or any part thereof or any interest therein at any sale, whether pursuant to foreclosure, power of sale or otherwise, and may apply upon the purchase price the indebtedness secured hereby. Any purchaser at a sale of the Mortgaged Premises shall acquire good title to the property so purchased, free of the lien of this Mortgage and free of all rights of redemption in Mortgagor and Beneficiary. The receipt of the officer making the sale under judicial proceedings or of Mortgagor shall be sufficient discharge to the purchaser for the purchase money and such purchaser shall not be responsible for the proper application thereof. Mortgagor and Beneficiary hereby waive, to the extent permitted by law, the benefit of all appraisal, valuation, stay, extension, reinstatement and redemption laws now or hereafter in force and all rights of marshalling in the event of any sale hereunder of the Mortgaged Premises or any part thereof or any interest therein. Further, Mortgagor and Beneficiary hereby expressly waive any and all rights of redemption from sale under any order or decrees of foreclosure of this Mortgage on behalf of Mortgagor and Beneficiary, the trust estate and all persons beneficially interested therein and each and every person acquiring any interest in or title to the Mortgaged Premises subsequent to the date of this Mortgage and on behalf of all persons to the extent permitted by the provisions of Chapter 110, Section 112-125, of the Illinois Revised Statutes, or any statute enacted in substitution thereof.

The proceeds of any sale of the Mortgaged Premises or any part thereof or interest therein, whether pursuant to foreclosure or power of sale or otherwise, and all amounts received by Mortgagor by reason or any possession, operation or management of the Mortgaged Premises or any part thereof, together with any other sums at the time held by Mortgagor, shall be applied, subject to the rights of the holder of the Junior Mortgage liens, if any, in the following order:

First: To all costs and expenses of the sale of the Mortgaged Premises or any part thereof or any interest therein, or entering upon, taking possession of, removal from, holding, operating and managing the Mortgaged Premises or any part thereof, together with (a) the costs and expenses of any receiver of the Mortgaged Premises or any part thereof, appointed pursuant hereto; (b) the reasonable fees and expenses of attorneys, accountants,

UNOFFICIAL COPY

Property of Cook County Clerk's Office



# UNOFFICIAL COPY

- 13 -

45811326

F. Apply any monies or securities on deposit with Mortgagee or any depository designated by Mortgagee as required to be maintained under this Mortgage to the obligations of Mortgagee or Beneficiary under the Note, the Security Agreement or this Mortgage in such order and manner as Mortgagee may elect.

E. Enter upon the Mortgaged Premises and (i) complete, or cause to be completed, the rehabilitation of and construction on the improvements situated thereon in accordance with plans heretofore approved by or on behalf of the Mortgagee and employ all necessary personnel, at the risk, cost and expense of Mortgagee and Beneficiary; (ii) discontinue any work commenced with respect to rehabilitation of and construction on the improvements or change any course of action previously undertaken and not be bound by any limitations or requirements of time; (iii) assume any construction contract made by Mortgagee or Beneficiary in any way relating to the rehabilitation of the improvements and take over and use all, or any part of the labor, materials, supplies and equipment contracted for by Mortgagee or Beneficiary, whether or not previously incorporated into the improvements; and (iv) in connection with any rehabilitation or construction of the improvements undertaken by Mortgagee pursuant to the provisions of this subparagraph, engage builders, contractors, architects, and engineers and others for the purpose of completing the rehabilitation or construction of the improvements, pay, settle, or compromise all bills or claims which may become liens against the Mortgaged Premises or which have been or may be incurred in any manner in connection with completing the rehabilitation or construction of the improvements, and take or refrain from taking any action hereunder as Mortgagee may from time to time deem necessary. Mortgagee and Beneficiary shall be liable to Mortgagee for all sums paid or incurred to complete the improvements whether the same shall be paid or incurred pursuant to the terms of this subparagraph or otherwise and all payments made or liabilities incurred by Mortgagee hereunder of any kind whatsoever shall be paid by Mortgagee and Beneficiary to Mortgagee, upon demand, with interest at the Default Interest Rate from date of advancement by Mortgagee until paid, and all such payments shall be additional indebtedness secured by this Mortgage.

Fourth: The balance, if any, to the person or entity then entitled thereto pursuant to applicable state law.

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

Second: To any indebtedness secured by this Mortgage at the time due and payable, other than the indebtedness with respect to the Note at the time outstanding;

and other professionals employed by Mortgagee or those engaged by any receiver; and (c) any indebtedness, taxes, assessments or other charges prior to the lien of this Mortgage, which Mortgagee may consider necessary or desirable to pay;

UNOFFICIAL COPY

Property of Cook County Clerk's Office

581851

Any notices, demands or other communications given pursuant to the terms hereof shall be in writing and shall be delivered by personal service or sent by certified or registered mail, return receipt requested, postage prepaid, addressed to the party at the address set forth below or at such other address within the United States as either party shall have theretofore designated in writing to the other. Any such notice, demand, or other communication shall be deemed received on the date specified on the receipt, if delivered by personal service, or on the third business day after the date of mailing, if delivered by registered or certified mail.

29. NOTICES.

No change, amendment, modification, cancellation or discharge hereof, or any part hereof, shall be valid unless in writing and signed by the parties hereto or their respective successor and assigns.

28. MODIFICATION.

It is further covenanted and agreed by the parties hereto that this Mortgage also secures the payment of and includes all future advances as shall be made by Mortgagee or its successors or assigns, to and for the benefit of Mortgagee and Beneficiary, to the same extent as if such future advances were made on the date of the execution of this Mortgage ("Future Advances"). The total amount of indebtedness that may be secured by this Mortgage may decrease or increase from time to time and shall include any and all disbursements made by Mortgagee from funds other than Escrowed Funds for the payment of taxes, levies or insurance on the Mortgaged Premises with interest on such disbursements at the Default Interest Rate and for reasonable attorneys' fees and court costs incurred in the collection of any or all such sums. All future advances shall be wholly optional with Mortgagee and the same shall bear interest at the same rates as specified in the Note unless said interest rates shall be modified by subsequent agreement. The total amount of the indebtedness that may be secured by this Mortgage shall not exceed the amount of \$1,900,000.00.

27. FUTURE ADVANCES.

At the option of Mortgagee, this Mortgage shall become subject and subordinate (except with respect to priority of entitlement to insurance proceeds or any award in condemnation) to any and all leases of all or any part of the Mortgaged Premises upon the execution by Mortgagee of a unilateral declaration of subordination and the recording thereof in the Office of the Recorder of Deeds of Cook County, Illinois.

26. SUBORDINATION.

In the event of the passage of any law which deducts from the value of real property, for purposes of taxation, any lien thereon and which in turn, imposes a tax whether directly or indirectly, on this Mortgage or on the Note, and if Mortgagee and Beneficiary are prohibited by law from paying the whole of such tax in addition to every other payment required hereunder, or if Mortgagee and Beneficiary, although permitted to pay such tax, fail to do so in a timely fashion, then, in such event, at the option of Mortgagee, and upon not less than ninety (90) days prior written notice from Mortgagee to Mortgagee and Beneficiary, the entire unpaid principal balance due on the Note and all accrued and unpaid interest thereon, and any other sums secured hereby, shall become immediately due and payable and thereafter, each of said amounts shall bear interest at the Default Interest Rate.

25. TAXES ON MORTGAGE OR NOTE.

Mortgagee represents and Beneficiary warrants that the proceeds of the Note will be used for the purposes specified in Paragraph 6404 (1)(c), Chapter 17, Illinois Revised Statutes and that the indebtedness secured hereby constitutes a "business loan" within the purview of said paragraph.

24. BUSINESS PURPOSE.

UNOFFICIAL COPY

Property of Cook County Clerk's Office

92311854

To the best of Beneficiary's knowledge upon diligent investigation the Mortgaged Premises and the use operation thereof are currently in compliance and will remain in compliance with all applicable environmental, health and safety laws, rules and regulations. There are, to the best of Beneficiary's knowledge, upon diligent investigation, no environmental, health or safety hazards. To the best of Beneficiary's knowledge upon diligent investigation the Mortgaged Premises have never been used for a sanitary land fill, dump or for the disposal, generation or storage of any Hazardous Substances deposited or located in, under or upon the Mortgaged Premises, or any parcels adjacent thereto, or on or affecting any part of the Mortgaged Premises or the business or operations conducted thereon, including, without limitation, with respect to the disposal of Hazardous Substances. To the best of Beneficiary's knowledge upon diligent investigation, no underground storage tanks are or have been located on the Mortgaged Premises. To the best of Beneficiary's knowledge upon diligent investigation: (a) no portion of the Mortgaged Premises is presently contaminated by any Hazardous Substances and (b) no storage, treatment or disposal of any Hazardous Substance has occurred on or in the Mortgaged Premises. Beneficiary has not received written notice of, and to the best of Beneficiary's knowledge after diligent inquiry, there are no pending or

36. HAZARDOUS SUBSTANCES.

If Mortgagor and Beneficiary shall pay the principal and interest due under the Agreement, then this Mortgage and rights hereby created shall terminate and become void, and thereupon Mortgagor, upon the written request and at the expense of Mortgagor and Beneficiary, shall execute and deliver to Mortgagor and Beneficiary such instruments as shall be required to evidence of record the satisfaction of this Mortgage and the lien thereof.

35. DEFEASANCE.

Every provision hereof is intended to be severable. If any provision of this Mortgage is determined by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the other provisions hereof, which shall remain binding and enforceable.

34. SEVERABILITY.

This Mortgage shall be governed by the laws of the State of Illinois, which laws shall also govern and control the construction, enforceability, validity and interpretation of this Mortgage.

33. APPLICABLE LAW.

Subject to the provisions hereof restricting or limiting Mortgagor's and Beneficiary's rights of assignment and transfer, all of the terms, covenants, conditions and agreements herein set forth shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.

32. BINDING ON SUCCESSORS AND ASSIGNS.

31. TIME IS OF THE ESSENCE OF THIS AGREEMENT.

Mortgagor and Beneficiary, at their expense, will execute, acknowledge and deliver such instruments and take actions as Mortgagor from time to time may reasonably request for the further assurance to Mortgagee of the properties and rights now or hereafter subjected to the lien hereof or assigned hereunder or intended so to be.

30. FURTHER ASSURANCES.

UNOFFICIAL COPY

Property of Cook County Clerk's Office

98341854

This Mortgage is executed by AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee. No personal liability shall be asserted or enforceable against the Trustee in respect to this Mortgage, all such liability, if any, being expressly waived by each taker and holder of the Note secured hereby. Each original and successive holder of the Note accepts the same upon the express condition that no duty shall rest upon the Trustee to sequester the rents, issues and profits arising from the Mortgaged Premises, or the proceeds arising from the sale or other disposition thereof, but in case of default in the payment of the Note or under any of the terms and provisions of this Mortgage, the sole remedy of Mortgagee with respect to Mortgagor and Beneficiary shall be by foreclosure of this Mortgage. The provisions of the Mortgage Loan Rider attached are incorporated by reference and made a part hereof.

Hazardous Substances is defined herein as any toxic or hazardous wastes, pollutants, or substances, including, without limitation, friable asbestos, PCBs, petroleum products and by-products, substances defined as "hazardous substances" or "toxic substances" or similarly identified in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sec. 9601, et. seq., Hazardous Materials Transportation Act, 49 U.S.C. Sec. 1802, et. seq., The Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6901, et. seq., The Toxic Substance Control Act of 1976, as amended, 15 U.S.C. Sec. 2601, et. seq., Clean Water Act, 42 U.S.C. Sec. 7401, et. seq., or in any other applicable federal state or local Environmental Laws. This indemnification shall not apply to any negligent acts or omissions or willful misconduct by Mortgagee in relation to the liabilities arising from actions affecting the Premises which occur after title to the Premises has transferred to Mortgagee.

Beneficiary covenants and agrees that, throughout the term of the loan, no Hazardous Substances will be used by any person for any purpose upon the Mortgaged Premises or stored thereon in violation of applicable statute, rule or regulation. Beneficiary hereby indemnifies and holds Mortgagee harmless of and from all loss, cost (including reasonable attorney fees), liability and damage whatsoever incurred by Mortgagee by reason of any violation of any applicable statute or regulation for the protection of the environment which occurs subsequent to the date of this Mortgage upon the Mortgaged Premises, or by reason of the imposition of any governmental lien for the recovery of environmental cleanup costs expended by reason of such violation. Beneficiary's obligation to Mortgagee under the foregoing indemnity shall be without regard to fault on the part of Beneficiary with respect to the violation of law which results in liability to Mortgagee, and shall not apply in the event such loss, cost, liability or damage is caused by the gross negligence or willful misconduct of the Mortgagee. The release of this Mortgage shall in no event terminate or otherwise affect the indemnity contained in this paragraph.

Beneficiary agrees that, throughout the term of the loan, no Hazardous Substances will be used by any person for any purpose upon the Mortgaged Premises or stored thereon in violation of applicable statute, rule or regulation. Beneficiary hereby indemnifies and holds Mortgagee harmless of and from all loss, cost (including reasonable attorney fees), liability and damage whatsoever incurred by Mortgagee by reason of any violation of any applicable statute or regulation for the protection of the environment which occurs subsequent to the date of this Mortgage upon the Mortgaged Premises, or by reason of the imposition of any governmental lien for the recovery of environmental cleanup costs expended by reason of such violation. Beneficiary's obligation to Mortgagee under the foregoing indemnity shall be without regard to fault on the part of Beneficiary with respect to the violation of law which results in liability to Mortgagee, and shall not apply in the event such loss, cost, liability or damage is caused by the gross negligence or willful misconduct of the Mortgagee. The release of this Mortgage shall in no event terminate or otherwise affect the indemnity contained in this paragraph.

Beneficiary agrees that, throughout the term of the loan, no Hazardous Substances will be used by any person for any purpose upon the Mortgaged Premises or stored thereon in violation of applicable statute, rule or regulation. Beneficiary hereby indemnifies and holds Mortgagee harmless of and from all loss, cost (including reasonable attorney fees), liability and damage whatsoever incurred by Mortgagee by reason of any violation of any applicable statute or regulation for the protection of the environment which occurs subsequent to the date of this Mortgage upon the Mortgaged Premises, or by reason of the imposition of any governmental lien for the recovery of environmental cleanup costs expended by reason of such violation. Beneficiary's obligation to Mortgagee under the foregoing indemnity shall be without regard to fault on the part of Beneficiary with respect to the violation of law which results in liability to Mortgagee, and shall not apply in the event such loss, cost, liability or damage is caused by the gross negligence or willful misconduct of the Mortgagee. The release of this Mortgage shall in no event terminate or otherwise affect the indemnity contained in this paragraph.

UNOFFICIAL COPY

Property of Cook County Clerk's Office





UNOFFICIAL COPY

Property of Cook County Clerk's Office

92311854

Commission Expires:

*[Handwritten Signature]*  
Notary Public

OFFICIAL SEAL  
SANDRA L. TISTCVIC  
Notary Public, State of Illinois  
My Commission Expires 01/16/95

Given under my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

MAY 12 1992

forth.  
national banking association, as Trustee, for the uses and purposes therein set  
instrument as his own free and voluntary act and the free and voluntary act of said  
did affix the said corporate seal of said national banking association to said  
corporate seal of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO  
SECRETARY did also then and there acknowledge that he/she, as custodian of the  
as Trustee, for the uses and purposes therein set forth; and said  
AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO  
and voluntary acts, and as the free and voluntary act of said  
acknowledged that they signed and delivered the said instrument as their own free  
SECRETARY, (title) respectively, appeared before me this day in person and  
foregoing instrument as such \_\_\_\_\_ (title) and  
are personally known to me to be the same person whose names are subscribed to the  
of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO  
AND  
Peter Jahnson (name)  
AND  
VICE PRESIDENT (name)  
SECRETARY (title)  
AND  
VICE PRESIDENT (title)  
I, the undersigned, a Notary Public, in and for the County and State  
aforesaid, DO HEREBY CERTIFY that:  
I. MICHAEL W. [unclear]

[TRUSTEE]

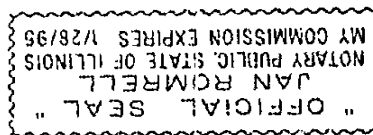
STATE OF ILLINOIS }  
} SS.  
COUNTY OF COOK

UNOFFICIAL COPY

Property of Cook County Clerk's Office

92341854

Commission Expires:



*Jan Romrell*  
Notary Public

Given under my hand and official seal, this 14 day of May, 1992

of CITY LANDS CORP., are personally known to me to be the same person whose names are subscribed to the foregoing instrument as such Sec. V.P. (title) and Secretary (title), respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, and as the free and voluntary act of said CITY LANDS CORP., as Managing General Partner of SHOREWOOD LIMITED PARTNERSHIP, an Illinois limited partnership, for the uses and purposes therein.

Louise Jackson (name) Secretary (title)  
AND  
Susan McQueen (name) Senior Vice President (title)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that:

STATE OF ILLINOIS )  
COUNTY OF COOK )  
} SS.  
{ OFFICERS OF CITY LANDS CORP. }

Property of Cook County Clerk's Office

UNOFFICIAL COPY

Property of Cook County Clerk's Office

The interest rate during the period that installments of principal and interest are payable is subject to adjustment at three-year intervals on the third, sixth, ninth, twelfth, fifteenth, and eighteenth (where applicable) anniversaries of the first day of the month in which the commitment on this loan was accepted, which was February, 1991. THE FIRST ADJUSTMENT DATE FOR THIS LOAN IS OCTOBER 1, 1994. The interest rate shall be the Index rate of interest plus 2 1/2% percent based upon the latest available Index as of 45 days prior to the anniversary date. The Board of Governors of the Federal Reserve as calculated and published monthly by the Board of Governors of the Federal Reserve as Federal Reserve Board Publication G-13 shall constitute the "Index" herein.

In the event the Federal Reserve Board of Governors shall discontinue the publication of the "Index," adjustments shall be based on an alternative interest rate index published by another agency of the United States or a responsible publisher of similar statistical information of nationally recognized authority. Adjustments to the interest rate shall correspond directly to the movement of the index.

92341054

The First National Bank of Chicago's Base Rate shall mean the Corporate Base Rate announced by said Bank from time to time.

The interest rate during the period when interest is payable shall be subject to monthly adjustments and shall be determined as of the fifteenth day of each month to be the higher of the following: The First National Bank of Chicago's Base Rate (as herein defined) in effect on the fifteenth day of each month plus 2.0% percent rate of interest or the Initial Rate.

Installments of principal and interest, in advance, in the amount of \$15,620.73, based upon a level annuity amortization of 25 YEARS, at the Initial Rate subject to adjustment as herein provided, shall be payable on the twentieth day (20th) of DECEMBER, 1993, and on the twentieth day of each month thereafter until the entire principal sum is repaid in full. In any event, the balance of principal together with accrued interest thereon shall be due and payable on MAY 1, 2012 ("Maturity Date").

Interest only, on advances of principal made from time to time, shall be payable on the first day of JUNE, 1992, or interest accruing in the preceding month and on the first day of each month thereafter to the first day of the month in which payments to principal and interest commence.

Each advance of principal shall be made in accordance with and pursuant to the terms of the Mortgage and Construction Loan Agreement (as hereinafter defined) and used exclusively for the acquisition or refinancing and rehabilitation of the real estate described in the Mortgage given as security for this Note.

FOR VALUE RECEIVED, AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but as Trustee under Trust Agreement dated APRIL 20, 1990 and known as Trust Number 110859-09, (hereinafter collectively, together with any assignee or transferee of the estate of the foregoing trust, referred to as "Borrower"), promise to pay to COMMUNITY INVESTMENT CORPORATION ("Lender"), at its offices located at 600 South Federal Street, Chicago, IL 60605 or at such other place or to such other party or parties as Lender may from time to time designate, the principal sum of ONE MILLION NINE HUNDRED THOUSAND AND NO/100-- Dollars (\$1,900,000.00), or so much thereof as shall have been advanced, with interest on the principal sum remaining from time to time unpaid, at the initial rate of EIGHT AND THREE QUARTERS PERCENT (8.75%) per annum (the "Initial Rate"), computed from the date of each advance, and subject to adjustment, and payable, in the manner hereinafter provided.

MAY 1, 1992

\$ 1,900,000.00

ADJUSTABLE RATE CONSTRUCTION LOAN NOTE [NONRECORSE]

Book A

UNOFFICIAL COPY

Property of Cook County Clerk's Office



# UNOFFICIAL COPY

-2-

- D. If all or any part of the Mortgaged Premises or any interest therein is sold, transferred, pledged or conveyed or becomes subject to a contract or option for the sale, transfer, pledge or conveyance, or if the beneficial interest in or power of direction under the title holding trust of the Mortgaged Premises is sold, transferred, assigned, pledged or conveyed in whole or in part (including without limitation, a collateral assignment thereof to any person other than the Lender, the City of Chicago or the Illinois Housing Development Authority) or if the owner of said beneficial interest is a partnership, any change in or substitution or withdrawal of fifty percent (50%) or greater interest in the owner, or if the owner is a corporation, any sale, assignment, pledge or other transfer of fifty percent (50%) or more of the stock of said owner;
- C. If an Event of Default shall have occurred under the Note or Mortgage described in the Rider attached and made a part of the Mortgage, and such event of default remains uncured upon the lapse of the appropriate grace period, if any, provided therein; or
- B. If an Event of Default (as therein defined) shall have occurred pursuant to any provision of the Mortgage or the Security Agreement; or
- A. If default shall be made in payment of any installment of interest or principal and interest due under this Note which the same or any part thereof shall become due and payable, and if such default remains uncured; or

In case one or more of the following events ("Events of Default") shall occur, to wit:

This Note is secured by a Mortgage ("Mortgage") on the real estate described therein which is situated in the City of Chicago, County of Cook and State of Illinois (the "Mortgaged Premises"), and further secured by a Security Agreement and Assignment of Interest in Land Trust ("Security Agreement") covering the collateral described therein both of even date herewith. All of the covenants, conditions and agreements contained in the Mortgage and the Security Agreement are incorporated by reference herein and made a part hereof. Any amounts required to be paid by Borrower under the terms of the Mortgage or the Security Agreement shall become additional principal indebtedness hereunder to the extent such amounts are not paid in accordance with the Mortgage or Security Agreement and shall be payable on demand and shall bear interest hereunder.

All interest rate adjustments will be in multiples of one-eighth of one percent (.125%). The Index change must equal or exceed fifty percent (50%) of one-eighth of one percent (.125%). The minimum interest rate increase or decrease in the interest rate can take place. The minimum interest rate increase or decrease will be rounded to the nearest one-eighth of one percent (.125%). Subject to the limitations set forth herein, all interest rate increases shall be at Lender's option. Subject to the limitations set forth herein, all interest rate decreases shall be mandatory. Notwithstanding anything to the contrary herein, no interest rate adjustment shall exceed two percent (2%) per annum increase or decrease per adjustment, and the maximum amount by which the interest rate may increase or decrease during the term of this Note shall not exceed five percent (5%) over Initial Note Rate.

Adjustments in payments to principal and interest will be based on a level annuity monthly payment determined on the basis of the then current interest and the initial level annuity amortization term of 25 YEARS; and, if applicable, adjusted payments will commence on the twentieth day of the month immediately following the third, sixth, ninth, twelfth, fifteenth, and eighteenth (where applicable) anniversaries of the date hereof. Lender shall notify Borrower, in writing, not less than thirty (30) days prior to any date upon which a new interest rate is to go into effect, of the new interest rate and the amount of the adjusted annuity payment then applicable.

Exhibit A

1001000000

UNOFFICIAL COPY

Property of Cook County Clerk's Office

92041854

then, in any of such events, Lender, at its option, may declare the whole or the principal sum remaining unpaid and all accrued interest thereon immediately due and payable. Without limiting the foregoing right or any other rights and remedies of Lender at law or in equity, Lender shall have all rights and remedies provided for in the Mortgage and the Security Agreement and may enforce the covenants, agreements, and undertakings of any obligor contained therein by the exercise of the remedies available or authorized thereunder.

In the event any installment or other amount due under this Note or the Mortgage shall be delinquent and remain unpaid as of the fifteenth (15th) day of the month in which such payment is due for interest alone, or as of the first (1st) day of the month following the month in which such payment is due for installments of principal and interest, there shall be due at the option of the Lender, a sum equal to five percent (5%) of the amount of the delinquency. In addition to, but not in derogation of, the foregoing, in the event any amount payable hereunder shall remain unpaid after its due date, said amount shall bear interest thereafter until paid at a rate equal to two (2%) percentage points above the then-current interest rate under this Note.

Privilege is reserved to prepay in whole or in one or more monthly installments of principal upon thirty (30) days prior written notice to the Lender without penalty, premium, or charge.

If Lender incurs any fees or expenses in enforcing the terms of this Note, or to protect, defend or uphold the lien of the Mortgage or its rights under the Security Agreement, as a result of the occurrence or existence of an Event of Default as defined herein or in the Mortgage or the Security Agreement, all sums paid by Lender for such fees and expenses, including without limitation, reasonable attorneys' fees, shall be paid by Borrower immediately upon written demand therefor, and, if not paid, shall thereafter bear interest at a rate equal to two (2%) percentage points above the then-current interest rate under this Note and shall become additional indebtedness evidenced by this Note.

Presentment for payment, notices of dishonor, protest, and notice of protest are hereby waived by each maker hereof and the undersigned agree to perform and comply with each of the covenants, conditions, provisions and agreements of each of the undersigned contained in every instrument evidencing or securing the indebtedness. Lender may extend the time of payment or otherwise modify the terms of payment of the debt evidenced by this Note in whole or in part, or release any party liable hereunder or under the Mortgage or the Security Agreement, or any security or grant any other indulgence or forbearance or release, indulgence or forbearance may be made without notice to any party and shall not alter or diminish the liability of any party. Borrower reserves to the Lender the right at Lender's sole discretion to extend the date for commencement of installments to principal and interest which extensions may affect the interest payable hereunder.

Any notice given pursuant to the terms of this Note shall be in writing and shall be sent by first class mail, addressed to the Borrower at the address for notices set forth below or to Lender at the address that appears hereon, or to such other address as either party shall have theretofore designated in writing to the other. All notices shall be effective upon mailing.

The terms of this Note shall be governed by laws of the State of Illinois. Every provision hereof is intended to be severable. If any provision of this Note is determined by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the other provisions hereof, which shall remain binding and enforceable.

Exhibit A

UNOFFICIAL COPY

Property of Cook County Clerk's Office

92311854

- (1) CITY LANDS CORP, c/o Susan McCann  
5100 West Harrison Street, Chicago, IL 60644
- (2) ILLINOIS HOUSING DEVELOPMENT AUTHORITY, c/o Jennifer Miller  
401 North Michigan Avenue, Chicago, IL 60611
- (3) NATIONAL EQUITY FUND, c/o Brian Freeman  
547 West Jackson, Suite 601, Chicago, IL 60661
- (4) DEPARTMENT OF HOUSING, CITY OF CHICAGO, c/o Commissioner  
318 South Michigan Avenue, Chicago, IL 60604
- (5) OFFICE OF THE CORPORATION COUNSEL  
c/o Finance & Economic Development Division  
City of Chicago, Room 511  
121 North LaSalle Street, Chicago, IL 60602

NOTICES TO:

- 1500-02 EAST 67TH STREET, CHICAGO IL 60637
- 1500-06 EAST 67TH PLACE, CHICAGO IL 60637
- 1501-03 EAST 69TH PLACE, CHICAGO IL 60637
- 1734 EAST 72ND STREET, CHICAGO IL 60649
- 1962 EAST 73RD PLACE, CHICAGO IL 60649

PROPERTY ADDRESSES:

ATTEST: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO  
 as Trustee as aforesaid and not personally

This Note is executed by AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee. No personal liability shall be asserted or enforceable against the Trustee in respect to this Note or the making, issue or transfer hereof, all such liability, if any, being expressly waived by each taker and holder hereof. Each original and successive holder of this Note accepts the same upon the express condition that no duty shall rest upon the Trustee to sequester the rents, issues and profits arising from the Mortgaged Premises, or the proceeds arising from the sale or other disposition thereof, but that in case of default in the payment of this Note or of any installment hereof, the sole remedy of Lender with respect to the Trustee shall be by foreclosure of the Mortgage. The provisions of the Mortgage Loan Rider attached are incorporated by reference and made a part hereof.

Exhibit A

COPY

UNOFFICIAL COPY

Property of Cook County Clerk's Office

1581328

THIS INSTRUMENT WAS PREPARED BY:  
JAMES B. PARCER  
COMMUNITY INVESTMENT CORPORATION  
600 SOUTH FEDERAL ST.  
CHICAGO, ILLINOIS 60605

Property

LOT 11 (EXCEPT THE WEST 20 FEET THEREOF) AND ALL OF LOTS 12, 13, 14 AND 15 IN DAILY AND MCBRIDE'S SUBDIVISION OF BLOCK 9 IN THE SUBDIVISION OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 25, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 5: 1962 EAST 73RD PLACE, CHICAGO IL 60649  
PIN: 20-25-130-023 VOL. 262

LOT 55 (EXCEPT THE NORTH 8.5 FEET) AND ALL OF LOTS 56, 57 AND 58 IN MURRAY WOLBACH'S ADDITION TO SOUTH SHORE IN THE NORTHWEST 1/4 OF SECTION 25, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AS DOCUMENT NUMBER 5938751 IN COOK COUNTY, ILLINOIS.

PARCEL 4: 1734 EAST 72ND STREET, CHICAGO IL 60649  
PIN: 20-25-104-004 VOL. 252

LOTS 20 & 21 IN BLOCK 6, IN THE SUBDIVISION OF THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3: 1501-03 EAST 69TH PLACE, CHICAGO IL 60637  
PIN: 20-23-418-001 VOL. 261

LOTS 16 AND 17 IN BLOCK 1 IN BASS' SUBDIVISION OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE EAST 256 FEET THEREOF) IN COOK COUNTY, ILLINOIS.

PARCEL 2: 1500-06 EAST 67TH PLACE, CHICAGO, IL 60637  
PIN: 20-23-403-007 VOL. 261

LOT 15 IN BLOCK 1 IN THE SUBDIVISION OF BLOCKS 1 AND 4 IN JUNIUS MULVEY'S SUBDIVISION OF THE SOUTH 703.4 FEET OF THAT PART LYING EAST OF THE ILLINOIS CENTRAL RAILROAD OF THE NORTHEAST 1/4 OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 1: 1500-02 EAST 67TH STREET, CHICAGO IL 60637  
PIN: 20-23-228-015 VOL. 260

LEGAL DESCRIPTION

EXHIBIT B

UNOFFICIAL COPY

Property of Cook County Clerk's Office



92311854

4. If a non-monetary event of default occurs under the terms of any of the Loan Documents, prior to exercising any remedies thereunder Lender shall give Borrower and each of the general and limited partners of the Partnership, as identified in the Partnership Agreement, simultaneous written notice of such default. If the default is reasonably capable of being cured within thirty (30) days, Borrower shall have such period to effect a cure prior to exercise of remedies by Lender under the Loan Documents, or such

of time as may be specified in the Loan Documents. remedies by Lender under the Loan Documents, or such longer period given within which to cure the default prior to exercise of Borrower shall have a period of seven (7) days after such notice is Partnership Agreement, simultaneous written notice of such default. Limited partners of the Partnership, as identified in the thereunder Lender shall give Borrower and each of the general and any of the Loan Documents, prior to exercising any remedies 3. If a monetary event of default occurs under the terms of

promptness. is reasonably acceptable to Lender and is selected with reasonable of the Loan, provided that any required substitute general partner Documents, and any such actions shall not accelerate the maturity Agreement, shall not constitute a default under any of the Loan partner of the Partnership pursuant to the terms of the Partnership 2. The withdrawal, removal, and/or replacement of a general

thereunder. the exercise of its rights against the Project and related security Lender under the Loan Documents for repayment of the Loan shall be personal liability for repayment of the Loan. The sole recourse of partners of the Partnership), nor any other party shall have any if Borrower is not the Partnership, the general and limited Neither Borrower nor any of its general and limited partners (or, 1. The Loan is a nonrecourse obligation of Borrower.

preval: following covenants, terms, and conditions shall control and terms, and conditions of the Loan Documents and this Rider; the event of any inconsistency or conflict between the covenants, disbursement of the Loan (the "Loan Documents"), and that in the of the documents evidencing, securing, or governing the and conditions shall be part of and shall modify or supplement each The parties hereto agree that the following covenants, terms,

herein as the "Partnership Agreement." Partnership forming or continuing the Partnership are referred to referred to herein as the "Partnership." The Articles of Limited Project, whether or not identified as Borrower, is sometimes otherwise. Accordingly, the limited partnership developing the trust of which a limited partnership is the beneficiary, or designed for use whether Borrower is a limited partnership, a land Chicago, Illinois (the "Project"). The form of this Rider has been 69th Place, 1734-40 East 72nd Street, and 1962 East 73rd Place, 1500-02 East 67th Street, 1500-06 East 67th Place, 1501-03 East construction or rehabilitation of the property commonly known as 20, 1990 and known as Trust No. 110859-02 ("Borrower") for the personally, but solely as Trustee under Trust Agreement dated April American National Bank and Trust Company of Chicago, not "Loan" made by the Community Investment Corporation ("Lender") to documents evidencing, securing, and loan agreement or other note, the mortgage or trust deed, and loan agreement or other This Rider is attached to and made a part of the promissory

UNOFFICIAL COPY

Property of Cook County Clerk's Office

45871026

longer period of time as may be specified in the loan documents. If the default is such that it is not reasonably capable of being cured within thirty (30) days or such longer period if so specified, and if Borrower (a) initiates corrective action within said period, and (b) diligently, continuously, and in good faith works to effect a cure as soon as possible, then Borrower shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by Lender. If Borrower fails to take corrective action or to cure the default within a reasonable time, Lender shall give Borrower and each of the general and limited partners of the Partnership written notice thereof, whereupon the limited partner may remove and replace the general partner with a substitute general partner who shall effect a cure within a reasonable time thereafter in accordance with the foregoing provisions. In no event shall Lender be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within one hundred eighty (180) days after the first notice of default is given, or such longer period of time as may be specified in the loan documents.

5. In the event of any fire or other casualty to the project or eminent domain proceedings resulting in condemnation of the project or any part thereof, Borrower shall have the right to rebuild the project, and to use all available insurance or condemnation proceeds therefor, provided that (a) such proceeds are sufficient to keep the loan in balance and rebuild the project in a manner that provides adequate security to Lender for repayment of the loan or if such proceeds are insufficient then Borrower shall have funded any deficiency, (b) Lender shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and (c) no material default then exists under the loan documents. If the casualty or condemnation affects only part of the project and total rebuilding is infeasible, then proceeds may be used for partial rebuilding and partial repayment of the loan in a manner that provides adequate security to Lender for repayment of the remaining balance of the loan.

6. There shall be no default for construction or rehabilitation delays beyond the reasonable control of Borrower, provided that such delays do not exceed one hundred eighty (180) days, or such longer period of time as may be specified in the loan documents.

7. The execution and delivery of the purchase option and right of first refusal agreement described in the Partnership Agreement shall not constitute a default under the loan documents or accelerate the maturity of the loan thereunder. Any requisite consent of Lender to the exercise of the said purchase option and right of first refusal agreement by the project sponsor identified therein shall not be unreasonably withheld, nor shall the assumption without penalty of loan obligations by the project sponsor and the release of Borrower from such obligations, and, subject to any such requirement, the exercise of rights thereunder shall not constitute a default or accelerate maturity of the loan.

8. [For below-market interest rate loans:] If the purchase option and right of first refusal agreement described in the Partnership Agreement is not exercised and the project is sold subject to low-income housing use restrictions as contained in an existing regulatory agreement or other recorded covenant, any requisite consent of Lender to said sale shall not be unreasonably withheld, nor shall Lender's consent to the assumption without penalty of loan obligations by the purchaser and the release of Borrower from such obligations.

UNOFFICIAL COPY

Property of Cook County Clerk's Office

15814223  
92341854

9. In any approval, consent, or other determination by Lender required under any of the Loan Documents, Lender shall act reasonably and in good faith.  
In Witness Whereof, the undersigned have caused this Rider to be executed this 17th day of May, 1992.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally, but solely as Trustee as aforesaid

BY: [Signature]  
Its: \_\_\_\_\_

Attest: [Signature]  
BY: [Signature]  
Its: \_\_\_\_\_

SHOREWOOD LIMITED PARTNERSHIP, an Illinois limited partnership, BY: CITY LANDS CORP., a Delaware corporation and general partner of the Partnership

BY: [Signature]  
Its: \_\_\_\_\_

Attest: [Signature]  
BY: [Signature]  
Its: \_\_\_\_\_

BY: TMI DEVELOPMENT CORPORATION, an Illinois corporation and general partner of the Partnership

Attest: [Signature]  
BY: [Signature]  
Its: \_\_\_\_\_

Property of Cook County Office

UNOFFICIAL COPY

Property of Cook County Clerk's Office