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MORTGAGE, SECURITY AGREEMENT,
FIXTURE FILING AND FINANCING STATEMENT

Dated: As of April 9, 1992

in the amount of up to

\$21,372,791.32

MADE BY

AMERICAN STORES PROPERTIES, INC.

IN FAVOR OF

FIRST INTERSTATE BANK OF UTAH, N.A.

River Forest, Illinois

LOCATION OF MORTGAGED PREMISES

Street Address : 7523-7525 Lake Street
River Forest, Illinois

This instrument was prepared by and after
recording should be returned to:

SONNENSCHN NATH & ROSENTHAL
8000 Sears Tower
Chicago, Illinois 60606

Attention: Gregory A. Thorpe, Esq.

BOX 334

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Property of Cook County Clerk's Office

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Exhibits

Exhibit A Legal Description

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This instrument was prepared by and
after recording should be returned to:

Sonnenschein Nath & Rosenthal
8000 Sears Tower
Chicago, Illinois 60606

Attention: Gregory A. Thorpe, Esq.

MORTGAGE, SECURITY AGREEMENT,

FIXTURE FILING AND FINANCING STATEMENT

THIS MORTGAGE, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT (together with all amendments and supplements hereto, "Mortgage") is made as of April 9, 1992, between AMERICAN STORES PROPERTIES, INC., a Delaware corporation having an address at 5201 Amelia Earhart Drive, Salt Lake City, Utah 84116 (together with any corporation succeeding thereto by merger, consolidation or acquisition of its assets substantially as an entity, "Mortgagor"), and FIRST INTERSTATE BANK OF UTAH, N.A. ("Corporate Trustee"), having an address at 180 South Main Street, Salt Lake City, Utah 84101, as trustee under that certain Trust Indenture, dated as of May 1, 1989 (as the same may be modified, amended or supplemented from time to time, the "Trust Indenture") (the Corporate Trustee and any individual trustee as may, from time to time, be joined as trustee under the Trust Indenture in accordance with the provisions thereof, together with their respective successors and assigns, are hereinafter collectively referred to as "Mortgagee") for the pro rata benefit of the holders of all the notes from time to time outstanding under the Trust Indenture. All capitalized terms not expressly defined in this Mortgage shall have the meanings given to them in the Note Agreement (hereinafter defined).

PRELIMINARY STATEMENT

WHEREAS, the Mortgagor acquired several land parcels and applied to The Equitable Life Assurance Society of the United States and Equitable Variable Life Insurance Company (collectively, "Equitable") for a loan to finance the cost of (i) such acquisition, (ii) the construction of the Improvements thereon and (iii) Capitalized Expenses;

WHEREAS, Equitable purchased certain 10.74% Guaranteed Mortgage Notes due May 31, 2014, on the terms specified in (i) the Note Purchase Agreement dated as of May 31, 1989, among Mortgagor and Equitable (such agreement, together with all

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amendments and supplements thereto, is hereinafter referred to as the "Note Agreement") and (ii) the Trust Indenture; and

WHEREAS, such notes are (i) in an aggregate original principal amount not to exceed \$21,372,791.32, (ii) due on or before May 31, 2014, and (iii) from Mortgagor, registered in the name of the holders thereof (such notes, together with any note or notes issued in exchange or in replacement thereof or in addition thereto and all amendments and supplements thereto, are hereinafter collectively referred to as the "Note"). This Mortgage secures and is for the benefit of the entire indebtedness of the Note and the obligations of the Mortgagor under the Note Agreement and the Trust Indenture; and

WHEREAS repayment of the Note is guaranteed pursuant to the Guaranty, dated as of May 1, 1989, from American Stores Company, a Delaware corporation (together with any corporation succeeding thereto by merger, consolidation or acquisition of its assets substantially as an entirety, hereinafter referred to as "Guarantor"). Repayment of the Note is also secured by the Assignment; and

WHEREAS, pursuant to Section 11 of the Note Agreement, Mortgagor may, on the terms and conditions provided therein, elect to substitute one or more land parcels and the improvements thereon for a Property or Properties (as defined in the Note Agreement) and Mortgagor has elected to so substitute the Premises (as hereinafter defined) and, accordingly, the Premises shall constitute a Substitute Property (as defined in the Note Agreement).

THIS MORTGAGE IS A FINANCING STATEMENT AND A SECURITY AGREEMENT UNDER THE UNIFORM COMMERCIAL CODE COVERING FIXTURES ON THE REAL PROPERTY DESCRIBED HEREIN, AS WELL AS A MORTGAGE ON REAL PROPERTY AND OTHER PROPERTY. THIS MORTGAGE SHALL BE DEEMED TO CONSTITUTE A FIXTURE FILING TO BE FILED OF RECORD IN THE REAL ESTATE RECORDS MAINTAINED BY THE CLERK OR REGISTER OF DEEDS AND MORTGAGES, AS APPROPRIATE, OF THE COUNTY IN WHICH THE REAL PROPERTY IS LOCATED. THE MORTGAGOR HEREUNDER IS THE RECORD OWNER OF THE REAL PROPERTY DESCRIBED HEREIN.

GRANTING CLAUSES

NOW, THEREFORE, in consideration of the foregoing Preliminary Statement which is hereby made a part of this

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Mortgage and the debt evidenced by the Note and to secure the timely payment of both principal and interest in accordance with the terms and provisions of the Note and in accordance with the terms and provisions of this Mortgage, and to secure the performance of the covenants and agreements contained herein and in the Note, the Note Agreement, the Assignment, the Guaranty, the Trust Indenture, and all other documents evidencing and securing the sums due or to become due under the Note secured hereby (such agreements, together with all amendments and supplements thereto, are hereinafter collectively referred to as the "Note Documents") to be performed by Mortgagor, and to secure the timely payment and performance of all judgments, decrees, awards or orders arising from or related to the Note Documents, Mortgagor, intending to be legally bound, does hereby GIVE, GRANT, BARGAIN AND SELL, ALIENATE, ENFEOFF, MORTGAGE, ASSIGN, CONVEY AND CONFIRM to Mortgagee, its successors and assigns, the real estate described in Exhibit A attached hereto ("Land") and made a part hereof and all of its estate, right, title and interest therein, situated, lying, and being in the County of Cook and State of Illinois, which, together with all the property hereinafter described, is referred to as the "Premises";

TOGETHER with all easements, rights of way, strips and gores of land, vaults, streets, alleys, water rights, mineral rights (to the extent owned by Mortgagor) and rights used in connection with the Land and/or Premises or to provide a means of access thereto, or to provide service thereto, privileges, franchises, development, air and other rights and appendages now or in the future belonging to or in any way appertaining to the Premises including, without limitation, all tenements, hereditaments and appurtenances thereof and thereto pertaining or belonging, and all underground and overhead passageways and licenses in connection therewith;

TOGETHER with all Mortgagor's right, title and interest in the Lease, any and all subleases, management agreements, arrangements, concessions or agreements, written or oral, relating to the use and occupancy of the Land and improvements on the Land or any portion thereof, now or hereafter existing or entered into, as any of the foregoing may be amended, extended, renewed or modified from time to time;

TOGETHER with all rents, issues and profits of the Premises for so long and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with the Premises and not secondarily);

TOGETHER with all of Mortgagor's right, title and interest in and to the Prior Property Documents, together with all amendments, supplements and modifications thereof;

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TOGETHER with all of Mortgagor's right, title and interest in and to any and all buildings and improvements now or hereafter erected on the Land (hereinafter collectively referred to as the "Improvements"), including, but not limited to, the fixtures attached to said Improvements, HVAC and other utility installations, but exclusive of all other personal property, trade fixtures, machinery or equipment which do not constitute part of such HVAC and other utility installations, all certificates of occupancy, building permits, environmental permits, approvals and, licenses, other governmental or administrative permits, warranties, guarantees, and other agreements relating to the Premises, it being understood that the enumeration of any specific articles of property shall in nowise result in or be held to exclude any items of property not specifically mentioned;

TOGETHER with all the estate, interest, right, title, other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Mortgagor now has or may hereinafter acquire in the Premises, and any and all awards made for the taking by eminent domain, or by any proceedings or purchase in lieu thereof, of the whole or any part of the Premises, including without limitation any awards resulting from the change of grade of streets and awards for severance damages.

All of the land, estate and property hereinabove described, and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared to form a part and parcel of the real estate and to be appropriated to the use of the real estate, and shall for the purposes of this Mortgage be deemed to be real estate and conveyed and mortgaged hereby.

Mortgagor represents, warrants and covenants that (i) it is lawfully seized of the Premises; (ii) the same are unencumbered except for the Prior Property Documents; (iii) it has good right, full power and lawful authority to convey and mortgage the same, and that it will warrant and forever defend said Premises and the quiet and peaceful possession of the same against the lawful claims of all persons whomsoever; (iv) all Prior Property Documents are valid and subsisting and in full force and effect, and Mortgagor is not in material default thereunder, Mortgagor has no knowledge of any material default thereunder by any other party, and no written notice of default remaining uncured as of the date hereof has been given or received by Mortgagor; (v) this Mortgage and the other Note Documents pertaining to the Premises when duly recorded in the appropriate public records create a valid and enforceable lien upon the property purportedly subject hereto and thereto securing the sums secured hereby and thereby, and there are no

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defenses or offsets to this Mortgage or to any indebtedness secured hereby; and (vi) each and every warranty and representation of Mortgagor contained in any of the Note Documents was true, complete and correct in all material respects at the time made and remade, and does not omit any material fact necessary to make such warranty or representation not misleading.

TO HAVE AND TO HOLD the Premises unto said Mortgagee, its successors and assigns, forever, for the purposes and uses herein set forth and in each and every case, subject to the provisions of this Mortgage.

This Mortgage is given pursuant to the Note Agreement and the Trust Indenture. Each and every term and provision of the Note Agreement and the Trust Indenture, including the rights, remedies, obligations, covenants, conditions, agreements, indemnities, representations and warranties of both parties thereto, are hereby incorporated by reference herein as though set forth in full and shall be considered a part of this Mortgage, and payment fulfillment and performance thereof is secured hereby. All advances and indebtedness arising and accruing under the Note Agreement or the Trust Indenture from time to time, whether or not the resulting indebtedness secured hereby may exceed the face amount of the Note, shall be secured hereby to the same extent as though the Note Agreement and the Trust Indenture were fully incorporated in this Mortgage. In the event of a conflict between the provisions of this Mortgage and the Note Agreement or the Trust Indenture, the provisions of the Note Agreement shall be controlling. Notwithstanding the foregoing, no greater obligation of Mortgagor under this Mortgage than under the Note Agreement or the Trust Indenture shall be considered a conflict or inconsistency between them, Mortgagor in each instance being bound by such greater obligation.

Without limiting the foregoing, Mortgagor does hereby covenant and agree to carry out, perform, fulfill and observe each and every covenant, agreement, obligation and indemnity of Mortgagor set out in the Note Documents, and Mortgagor specifically agrees with and for the benefit of Mortgagee as follows.

Definitions.

1. (a) The following terms have the meanings set forth below:

"Allocable Portion of the Notes" has the meaning specified in the Note Agreement.

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"Assignment" means the Assignment of Rents and Leases, relating to the Lease, dated even date herewith, from Mortgagor, as assignor, to Mortgagee, as assignee, and consented to therein by Lessee, as amended or supplemented from time to time as permitted hereby or thereby.

"Casualty Event" has the meaning specified in Section 8.

"Condemnation Proceeding" has the meaning specified in Section 8.

"Default Rate" means 11.74% per annum.

"Governmental Body" has the meaning specified in the Note Agreement.

"Grant" means create a security interest in, mortgage, grant, bargain, sell and/or convey.

"Guarantor" has the meaning specified in the Preliminary Statement.

"Guaranty" means the Guaranty of the Note, dated even date herewith, made by Guarantor, as amended or supplemented from time to time as permitted hereby or thereby.

"Holders" means the holder or holders from time to time of the Note.

"Improvements" has the meaning specified in the Granting Clauses.

"Installment Payment" has the meaning specified in the Note.

"Land" has the meaning specified in the Granting Clauses.

"Lease" means the Lease and Agreement, dated even date herewith, between Mortgagor, as lessor, and Lessee, as lessee, relating to the Premises, as amended from time to time as permitted hereby or thereby, together with any short forms or memoranda thereof entered into for the purposes of recording.

"Lessee" means Jewel Food Stores, Inc., a New York corporation.

"Lessee's Termination Option" has the meaning specified in Section 9.

"Lessee's Termination Option Conditions" has the meaning specified in Section 9.

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"Lien of this Mortgage" and terms of like import mean the security, title or other interest or charge Granted to Mortgagee by this Mortgage (including the after-acquired property clauses hereof) or subsequently Granted hereunder or pursuant hereto to Mortgagee.

"Maturity Date" means May 1, 2014 or such earlier date on which the indebtedness evidenced by the Note or the Allocable Portion of the Notes with respect to the Premises becomes due pursuant to the provisions contained in the Note Agreement or any Security Document.

"Net Proceeds" has the meaning specified in Section 8.

"Note" has the meaning specified in the Preliminary Statement.

"Note Agreement" has the meaning specified in the Preliminary Statement.

"Note Documents" has the meaning specified in the Granting Clauses.

"Permitted Encumbrances" means:

- (a) Easements, rights-of-way, servitudes, zoning laws, use regulations, other similar reservations, rights and restrictions and other minor defects and irregularities in the title to the Premises, none of which materially lessens the value of the Premises or materially impairs the use thereof for the purposes held by Mortgagor;
- (b) The right reserved to or vested in any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or provision of law to terminate such right, power, franchise, grant, license or permit (provided that the exercise of such right would not materially lessen the value of the Premises or materially impair its use for the purposes held by Mortgagor or impair the validity or priority of the lien of this Mortgage) or to condemn, appropriate, recapture or designate a purchaser of the Premises;
- (c) Any (i) liens for taxes, assessments and other governmental charges and (ii) liens of mechanics, materialmen and laborers for work or services performed or materials furnished in connection with the Premises, which are not due or are being contested at the time by appropriate legal proceedings which

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shall operate to prevent the collection thereof or other realization thereon and the sale or forfeiture of the Premises or any interest therein to satisfy the same, provided that Mortgagor shall have complied with the provisions hereof dealing with the contest of any tax, assessment, other governmental charge or lien;

- (d) The easements, rights-of-way, encroachments, encumbrances, or other irregularities in the title, if any, set forth in Schedule B of the Title Policy issued to Mortgagee by the Title Insurer insuring this Mortgage as a valid and subsisting first mortgage on the Premises;
- (e) The Lease and the rights of Lessee thereunder;
- (f) The lien hereof and any rights granted hereby; and
- (g) The Assignment.

"Person" has the meaning specified in the Note Agreement.

"Premises" has the meaning specified in the Granting Clauses.

"Prior Property Documents" has the meaning specified in the Note Agreement.

"Properties" has the meaning specified in the Note Agreement.

"State" means Illinois.

"Substitute Property" has the meaning specified in the Note Agreement.

"Title Insurer" means Lawyers Title Insurance Corporation, a Virginia corporation, or such other title insurance company licensed in the State where the Premises are located, as may be approved by Mortgagee.

"Title Policy" shall mean the title policy described in Section 6.2 or, if applicable, Section 11 of the Note Agreement.

"Trust Indenture" has the meaning specified in the Preliminary Statement.

(b) All capitalized terms used in this Mortgage and not expressly defined herein shall have the meanings given to them in the Note Agreement.

Payment of the Note; the Guaranty.

2. Mortgagor will punctually pay the principal, interest, premium, if any, and all other sums to become due in respect of the Note in accordance with this Mortgage, the Note Agreement and the Note. Mortgagor will give to Mortgagee notice of all defaults under the Guaranty promptly after obtaining knowledge thereof. Mortgagor will take no actions, and will not omit to take any actions, which action or omission would release Guarantor from its obligations or liabilities under the Guaranty or would result in the termination, amendment or modification or impair the validity of the Guaranty.

The Lease; the Assignment.

3. At all times the Premises shall be leased to Lessee under the Lease in accordance with the terms thereof. The Premises, however, may be further subleased or the Lease assigned upon compliance with the Lease. Mortgagor will punctually perform all obligations, covenants and agreements by it to be performed as lessor under the Lease in accordance therewith, and will at all times do all things necessary to compel performance by Lessee of all its obligations, covenants and agreements under the Lease. Mortgagor will give to Mortgagee notice of all defaults under the Lease promptly after obtaining knowledge thereof. Mortgagor will not amend the Lease without the prior written consent of Mortgagee. Mortgagor will maintain the validity and effectiveness of the assignment to Mortgagee of the Lease made pursuant to the Assignment, all as specified in such documents and, except as expressly permitted by the Lease, this Mortgage or the Assignment, will take no action, and will not omit to take any action, which action or omission would release Lessee from its obligations or liabilities under the Lease or the Assignment, or would result in the termination, amendment or modification or impair the validity of the Lease or the Assignment. Mortgagor hereby subordinates any lien it may have for payments due under the Lease to the lien of this Mortgage.

Maintenance, Repair and Restoration of Improvements, Payment of Liens, Etc.

4. Mortgagor shall (a) promptly repair, restore or rebuild any Improvements now or hereafter on the Premises which may become damaged or be destroyed; (b) constantly maintain or cause to be maintained the Premises in good condition and repair, without waste; (c) keep the Premises free from mechanics' liens or other liens or claims for lien; provided, however, that Mortgagor shall have the right to contest in good faith and with reasonable diligence the validity of any such lien or claim by appropriate legal or administrative

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proceedings in accordance with the provisions set forth in Section 6 hereof with respect to contested taxes (including without limitation, the indemnification requirements therein); (d) pay when due any indebtedness which may be secured by a lien or charge on the Premises and comply with all requirements of all the Note Documents evidencing or securing such indebtedness, and, upon request, exhibit satisfactory evidence of the discharge of such prior lien or such compliance to Mortgagee; (e) complete in accordance with the terms of this Mortgage any Improvements now or at any time in the process of erection upon the Premises and any renovation of existing buildings; (f) comply with (i) all requirements of law, municipal ordinances or restrictions of record and all other applicable laws, rules, regulations, directions, requirements, orders and notices of violation of any Governmental Body or quasi-governmental agency, body or office with respect to the Premises and the operation or use thereof and (ii) all the terms and provisions of the Prior Property Documents, together with all amendments, supplements and modifications thereof; (g) initiate or acquiesce in no zoning variation or reclassification of the Premises or any part thereof which would materially adversely affect the use or value of the Premises or which could impair the validity or priority of the lien of this Mortgage without Mortgagee's or Holders' prior written consent; (h) pay each item of indebtedness and perform and fulfill each of the obligations secured by this Mortgage when due or required according to the terms of this Mortgage, the Note, the Note Agreement and the other Note Documents; and (i) make no material alterations to or demolish any portion of the Premises, except as required by law or municipal ordinance or as otherwise permitted by this Mortgage.

Alterations.

5. (a) Mortgagor may, at its expense, make additions to and alterations of the Improvements, construct additional Improvements thereon and make substitutions and replacements for such Improvements, provided that (i) the market value of the Premises shall not be lessened thereby; (ii) such work shall be expeditiously performed and completed in a good and workmanlike manner; (iii) no substantial portion of existing Improvements shall be demolished; (iv) such work shall be completed at least 180 days before the Maturity Date; (v) Mortgagor shall have procured and paid for all permits and licenses required in connection with such work; (vi) Mortgagor shall have procured and maintained insurance required pursuant to Section 7.4 of the Note Agreement; and (vii) the rent payable under the Lease shall not abate during or after the period of such work. All such alterations, additional Improvements, substitutions and replacements shall be and remain part of the realty and the Premises and shall be subject to the lien of this Mortgage.

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(b) Subject to the provisions of Section 31, Mortgagor may, at its expense, install, assemble or place upon the Premises any machinery or equipment used or useful in Mortgagor's business upon compliance with clauses (i), (ii), (vi) and (vii) of subsection (a). Such machinery and equipment shall be and remain the property of Mortgagor, and Mortgagor may remove the same at any time, provided that Mortgagor shall repair any damage to the Premises caused by such removal.

Payment of Taxes.

6. Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges and other charges against the Premises (all of the foregoing are collectively referred to as the "charges") when due and shall, upon written request, furnish to Mortgagee duplicate receipts therefor or other evidence of payment acceptable to Mortgagee. Nothing herein shall require Mortgagor to pay any charge pursuant to this Section 6 so long as Mortgagor shall diligently and in good faith contest the amount or validity thereof by appropriate legal or administrative proceedings which proceedings shall have the effect of preventing (i) the collection of such charge from the Premises or any interest therein or other realization thereon, and (ii) the sale, forfeiture or loss of the Premises, or any portion thereof, to satisfy the same; provided that such contest shall not subject Mortgagee or any Holder to the risk of any civil or criminal liability, and Mortgagor shall indemnify, defend and hold Mortgagee and the Holders harmless against all liabilities, losses, damages, costs and expenses incurred as a result of such charge or the contest thereof.

7. Intentionally Omitted.

Condemnation and Casualty.

8. (a) Mortgagor hereby irrevocably assigns to Mortgagee any award, compensation, proceeds of insurance and other payment to which Mortgagor may become entitled (i) if the Premises or any portion thereof are damaged or destroyed due to fire or other casualty or cause ("Casualty Event") or (ii) by reason of any condemnation, confiscation, requisition or other taking or sale of the possession, use, occupancy or title to the Premises or any portion thereof in, by or on account of any completed, pending or threatened eminent domain proceedings or other action by any Governmental Body or other person having the power of eminent domain ("Condemnation Proceeding"). Mortgagor is hereby authorized and empowered, at its cost and expense, in the name and behalf of Mortgagee, Mortgagor or

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otherwise, by counsel designated by Mortgagor and approved by Mortgagee, and upon giving written notice to Mortgagee, to appear in any such proceedings or other action, to file and prosecute, and to negotiate with respect to, or adjust any claim for any award, compensation or other payment on account of any such loss, damage, destruction, casualty, condemnation, confiscation, requisition or other taking or sale, and to collect and receipt for any such award, compensation or other payment or to accept any settlement or adjustment thereof, but in each case when the claim exceeds \$100,000 only with the written consent of Mortgagee. Any such award, compensation or other payment, minus the expense of collecting such amounts, is hereinafter called the "Net Proceeds". Mortgagee shall be entitled to participate in any such proceeding, action, negotiation, settlement or adjustment. All amounts so paid or payable to or received or receivable by Mortgagor shall be paid over to Mortgagee and in accordance with the provisions of the Note Agreement. Mortgagor shall take such action in connection with each such claim, proceeding or other action as shall be appropriate to protect the interests of Mortgagee and Mortgagor. Mortgagor shall pay all fees, costs and other expenses which may become payable as a result of or in connection with the subject matter of this paragraph.

(b) In case of loss after foreclosure proceedings have been instituted, the Net Proceeds, if not then being applied as provided in the Note Agreement in rebuilding or restoring the Improvements, shall be applied in payment or reduction of the indebtedness secured hereby or in payment or reduction of the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid to the owner of the equity of redemption if it shall then be entitled to the same or as the court may direct. In case of the foreclosure of this Mortgage, the court in its decree may provide that the mortgagee clause attached to each of said insurance policies may be cancelled and that the decree creditor may cause a new loss clause to be attached to each of said policies making the loss thereunder payable to said decree creditor; and any such foreclosure decree may further provide that in case of one or more redemptions under said decree, pursuant to the statute in such case made and provided, then and in every such case, each successive redemtor may cause the preceding loss clause attached to each insurance policy to be cancelled and a new loss clause to be attached thereto, making the loss thereunder payable to such redemtor. In the event of foreclosure sale, Mortgagee is hereby authorized, without the consent of Mortgagor, to assign any and all insurance policies and condemnation awards to the purchaser at the sale, or to take such other steps as Mortgagee may deem advisable, to cause the interest of such purchaser to be protected by any of the said

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insurance policies and with respect to any of the said condemnation awards.

Lease Termination; Release of the Premises.

9. (a) Within ten (10) days after receipt by Mortgagor of any notice from Lessee pursuant to Section 12(b) or 18(a) of the Lease, to purchase the Premises, or pursuant to Section 18(b) of the Lease, to substitute a Substitute Property for the Premises, Mortgagor will furnish to Mortgagee a copy of such notice and any certificate, opinion or other communications delivered in connection therewith. If Mortgagor shall not pay Mortgagee following a purchase of the Premises, or if Mortgagor shall fail to comply with the applicable provisions of the Lease after accepting such offer to purchase or substitute for the Premises or having been deemed to have accepted such offer or shall otherwise fail to cause Section 12(b), 18(a) or 18(b) of the Lease, as the case may be, to be complied with, Mortgagee may, and shall have the right and power (which right and power are coupled with an interest), and is hereby irrevocably appointed and constituted the agent and attorney-in-fact of Mortgagor, with full right of substitution, to notify (but in no event earlier than the tenth day prior to the lease termination date specified in Lessee's offer to purchase or substitute for the Premises) Lessee of the acceptance of any such offer and thereafter take all actions necessary to comply with the applicable provisions of the Lease and this Mortgage, including, without limitation, the execution and delivery, in the name and on behalf of Mortgagor, of deeds or other instruments of conveyance or assignment conveying and assigning the Premises to Lessee or a designee thereof. Any Substitute Property which replaces the Premises shall meet all of the applicable criteria set forth in Section 11 of the Note Agreement.

(b) Each deed or other instrument of conveyance or assignment executed and delivered by Mortgagee pursuant to this Section shall be binding upon Mortgagor and every future owner of Mortgagor's interest in the Premises with the same effect as if Mortgagor and every such owner had personally executed and delivered the same and may be relied upon by any grantee (including Lessee), and every such owner by receipt or acquisition of any right, title or interest in any interest of Mortgagor in the Premises hereby irrevocably appoints and constitutes Mortgagee its agent and attorney-in-fact, with full right of substitution, with power and authority (which power and authority are coupled with an interest) to execute and deliver such deeds or other instruments of conveyance or assignment in its behalf and name.

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Stamp Tax.

10. If, by the laws of the United States of America, or of any state or political subdivision having jurisdiction over Mortgagor, any tax is due or becomes due in respect of the issuance of the Note, or recording of this Mortgage, or amendments, modifications, supplements or consolidations of this Mortgage, whether at the original recording hereof or subsequent recordings, Mortgagor covenants and agrees to pay such tax in the manner required by any such law. Mortgagor further covenants to hold harmless and agrees to indemnify Mortgagee and the Holders, their respective successors or assigns, against any liability incurred by reason of the imposition of any tax on the issuance of the Note or recording of this Mortgage.

Effect of Changes in Laws Regarding Taxation.

11. In the event of the enactment after this date of any law of the State or any political subdivision thereof deducting from the value of land for the purpose of taxation any lien thereon, or imposing upon Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or Mortgagee's interest in the property, or the manner of collection of taxes, so as to adversely affect this Mortgage or the debt secured hereby or the Holders, then, and in any such event, Mortgagor, upon demand by Mortgagee, shall pay such taxes or assessments, or reimburse Mortgagee therefor; provided, however, that if in the opinion of counsel for Mortgagee (a) it might be unlawful to require Mortgagor to make such payment or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, Mortgagee may elect, by notice in writing given to Mortgagor, to declare the Allocable Portion of the Notes with respect to the Premises together with all interest accrued on the principal amount thereof to be and become due and payable sixty (60) days from the giving of such notice.

Mortgagor will not claim or demand or be entitled to receive any credit or credits on the principal or interest payable under the terms of the Note or on any other sums secured hereby for so much of the taxes, assessments, or similar charges assessed against the Land and Improvements or any part thereof as are applicable to the indebtedness secured hereby or to the interest of Mortgagee or the Holders in the Land and Improvements. No deduction shall be claimed from the taxable value of the Land and Improvements or any part thereof by reason of the Note or this Mortgage.

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Prepayments.

12. No prepayment of the Note may be made except in accordance with the terms and conditions set forth in the Note Agreement.

Effect of Extensions of Time and Amendments.

13. If the payment of the indebtedness or the performance of any of the obligations secured by this Mortgage or any part thereof be extended or varied or if any part of the security is released, all persons now or at any time hereafter liable therefor, or interested in the Premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse, if any, against all such persons being expressly reserved by Mortgagee, notwithstanding such extension, variation or release. Any person or entity taking a junior mortgage or other lien upon the Premises or any interest therein, shall take said lien subject to the rights of Mortgagee herein to amend, modify and supplement this Mortgage, the Note, the other Note Documents, or any other document or instrument evidencing, securing, or guaranteeing the indebtedness hereby secured and to vary the rate of interest and the method of computing the same, and to impose additional fees and other charges, and to extend the maturity of said indebtedness, and to grant partial releases of the lien of this Mortgage, in each and every case without obtaining the consent of the holder of such junior lien and without the lien of this Mortgage losing its priority over the rights of any such junior lien. Nothing in this Section contained shall be construed as waiving any provision contained herein which provides, among other things, that it shall constitute an Event of Default if the Premises are sold, conveyed or encumbered unless permitted by the Note Agreement.

Mortgagee's Performance of Defaulted Acts; Subrogation.

14. In case Mortgagor fails to perform any of its covenants and agreements herein or in the Note, Note Agreement or any other Note Document, Mortgagee may, but need not, make any payment or perform any act herein or therein required of Mortgagor, in any form and manner deemed expedient by Mortgagee, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or contest any tax or assessment. Mortgagee and any person designated by Mortgagee shall have the right, and is hereby granted the right, to enter upon the Premises for the foregoing purposes. All moneys paid

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for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other moneys advanced by Mortgagee to protect the Premises and the lien hereof, shall be additional indebtedness secured hereby, and shall become immediately due and payable without notice and with interest thereon at the Default Rate. Should any amount paid out or advanced hereunder by Mortgagee, be used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any lien or encumbrance upon the Premises or any part thereof on a parity with or prior or superior to the lien hereof, then as additional security hereunder, Mortgagee shall be subrogated to any and all rights, equal or superior titles, liens and equities, owned or claimed by any owner or holder of said outstanding liens, charges and indebtedness, however remote, regardless of whether said liens, charges and indebtedness are acquired by assignment or have been released of record by the holder thereof upon payment. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor.

Mortgagee's Reliance on Tax Bills, Etc.

15. Mortgagee in making any payment authorized by this Mortgage or the Note Agreement or the Trust Indenture: (a) relating to taxes and assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; or (b) for the purchase, discharge, compromise or settlement of any other prior lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

Acceleration of Indebtedness in Case of Default

16. The occurrence of an Event of Default under the Note Agreement shall be an Event of Default under this Mortgage, including, without limitation, the sale, transfer, assignment, conveyance, alienation, pledge, encumbrance or mortgage of the Premises or any part thereof or interest therein, unless expressly permitted by Section 14 of the Note Agreement.

Upon the occurrence of any Event of Default hereunder, the whole of the principal sum hereby secured shall, at once, at the option of Mortgagee, become immediately due and payable, together with accrued interest and any premium thereon, without any presentment, demand, protest or further notice of any kind to Mortgagor. Specifically and without limiting the foregoing, Mortgagor hereby waives any and all notices of default,

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intention to accelerate and acceleration of the indebtedness secured hereby or any portion thereof.

Foreclosure; Expense of Litigation; Indemnification.

17. If an Event of Default has occurred hereunder, or when the indebtedness hereby secured, or any part thereof, shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for such indebtedness or any part thereof by appropriate judicial proceedings or the exercise of power of sale in compliance with applicable law. In case of any foreclosure sale of the Premises, the same may be sold in one or more parcels.

It is further agreed that if default be made in the payment of any part of the secured indebtedness, as an alternative to the right of foreclosure for the full secured indebtedness after acceleration thereof, Mortgagee shall have the right to institute partial foreclosure proceedings with respect to the portion of said indebtedness so in default, as if under a full foreclosure, and without declaring the entire secured indebtedness due (such proceeding being hereinafter referred to as a "partial foreclosure"), and provided that if foreclosure sale is made because of default of a portion of the secured indebtedness, such sale may be made subject to the continuing lien of this Mortgage for the unmatured portion of the secured indebtedness; and it is agreed that such sale pursuant to a partial foreclosure, if so made, shall not in any manner affect the unmatured portion of the secured indebtedness, but as to such unmatured portion this Mortgage and the lien thereof shall remain in full force and effect just as though no foreclosure sale had been made under the provisions of this Section. Notwithstanding the filing of any partial foreclosure or entry of a decree of sale therein, Mortgagee may elect at any time prior to a foreclosure sale pursuant to such decree, to discontinue such partial foreclosure and to accelerate the secured indebtedness by reason of any incurred default or defaults upon which such partial foreclosure was predicated or by reason of any other defaults, and proceed with full foreclosure proceedings. It is further agreed that several foreclosure sales may be made pursuant to partial foreclosure without exhausting the right of full or partial foreclosure sale for any unmatured part of the secured indebtedness, it being the purpose to provide for a partial foreclosure sale of the secured indebtedness for any matured portion of the secured indebtedness without exhausting the power to foreclose and to sell the Premises pursuant to any such partial foreclosure for any other portion of the secured indebtedness whether matured at the time or subsequently maturing, and without exhausting any right of acceleration and full foreclosure.

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In connection with any foreclosure of the lien hereof or any action to enforce any other remedy of Mortgagee under this Mortgage, the Note or any other Note Document, Mortgagor agrees to pay all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee including, without limitation, attorneys' fees and disbursements, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title and value as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises and the right to such fees and expenses shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment or such sale is completed. All expenditures and expenses of the nature mentioned in this Section, and such expenses and fees as may be incurred in the protection of the Premises and the maintenance of the lien of this Mortgage, including the fees and expenses of any attorney employed by Mortgagee or any Holder in any litigation or proceeding affecting this Mortgage, the Note, any other Note Document or the Premises (including without limitation the occupancy thereof or any construction work performed thereon), including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding whether or not an action is actually commenced or in advising or representing Mortgagee or such Holder in connection with the occurrence of an Event of Default, shall be immediately due and payable by Mortgagor, with interest thereon at the Default Rate and shall be secured by this Mortgage.

Without limiting the liability of Mortgagor as set forth above, Mortgagor shall indemnify Mortgagee and any Holder, and their respective officers, directors, employees, representatives and agents, and hold them harmless from and against all claims, injury, damage, loss and liability of any and every kind to any persons or property by reason of (i) any work performed on or respecting the Premises, whether or not permitted by this Mortgage or the Note Documents; (ii) the operation or maintenance of the Premises; or (iii) any other action or inaction by, or matter which is, directly or indirectly, the responsibility of, Mortgagor.

Application of Proceeds of Foreclosure Sale.

18. The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of

priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding Section hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, all interest remaining unpaid on the Note; fourth, all principal remaining unpaid on the Note; and fifth, any surplus to Mortgagor, its successors or assigns, or any other person or entity which may be entitled to receive such surplus, as their rights may appear.

Appointment of Receiver.

19. Any time after an Event of Default has occurred hereunder, a court of competent jurisdiction may appoint a receiver for the Premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Premises, and Mortgagee hereunder or any Holders may be appointed as such receiver. Mortgagee shall use its best efforts, but in no event shall be obligated to notify Mortgagor of such an appointment. Such receiver shall have power: (a) to operate the Premises and collect the rents, issues and profits of the Premises; (b) to extend or modify any then existing leases and agreements regarding the Premises and to make new leases and agreements, which extensions, modifications and new leases and agreements may provide for terms to expire, or for options to extend or renew terms to expire, beyond the Maturity Date and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases and agreements, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the indebtedness secured hereby, satisfaction of any foreclosure decree or issuance of any certificate of sale or deed to any purchaser; and (c) to exercise all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (i) the indebtedness secured hereby, or by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; and (ii) the deficiency in case of a sale and deficiency.

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Mortgagee's Right of Possession in Case of Default.

20. To the extent permitted by law, upon the occurrence of a default under this Mortgage, the Note, the Note Agreement or any other Note Document, whether before or after the whole principal sum secured hereby is declared to be immediately due as aforesaid, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, Mortgagor shall forthwith, upon demand of Mortgagee, surrender to Mortgagee and Mortgagee shall be entitled to take actual possession of, the Premises or any part thereof, personally, or by its agent or attorneys. In such event Mortgagee in its discretion may, to the extent permitted by law, with or without force and with or without process of law, enter upon and take and maintain possession of all or any part of said Premises, together with all documents, books, records, papers and accounts of Mortgagor or then owner of the Premises relating thereto, and may exclude Mortgagor, its agents or servants, wholly therefrom and may, as attorney in fact or agent of Mortgagor, or in its own name as Mortgagee and under the powers herein granted, hold, operate, manage and control the Premises and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues and profits of the Premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, and with full power, in each case to the fullest extent permitted by law: (a) to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same; (b) to elect to disaffirm any lease or sublease which is then subordinate to the lien hereof; (c) 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, or for options to lessees to extend or renew terms to expire, beyond the Maturity Date and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the Mortgage indebtedness, satisfaction of any foreclosure decree or issuance of any certificate of sale or deed to any purchaser; (d) to enter into any management, leasing or brokerage agreements covering the Premises; (e) to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and

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improvements to the Premises as to it may seem judicious; (f) to insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof; and (g) to receive all of such avails, rents, issues and profits; Mortgagor is hereby granting Mortgagee full power and authority to exercise each and every one of the rights, privileges and powers herein granted at any and all times hereafter, without notice to Mortgagor.

Mortgagee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under the Lease. Mortgagor shall and does hereby agree to indemnify and hold Mortgagee and the Holders harmless of and from any and all liability, loss or damage which they (or either of them) may or might incur by reason of their respective performance of any action authorized under this Section and of and from any and all claims and demands whatsoever which may be asserted against them (or either of them) by reason of any alleged obligations or undertakings on their part to perform or discharge any of the terms, covenants or agreements of Mortgagor. Should Mortgagee or any Holder incur any such liability, loss or damage, by its performance or nonperformance of actions authorized by this Section, or in the defense of any claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, together with interest on any such amount at the Default Rate shall be secured hereby, and Mortgagor shall reimburse Mortgagee and the Holders therefor immediately upon demand.

Nothing herein contained shall be construed as constituting Mortgagee a mortgagee in possession in the absence of the taking of actual possession of the Premises by Mortgagee pursuant to the terms hereof. In the exercise of the powers herein granted Mortgagee, no liability shall be asserted or enforced against Mortgagee, all such liability being expressly waived and released by Mortgagor to the fullest extent permitted by law. Nothing contained herein or in the Assignment, shall impose upon Mortgagee any duty to produce any rents, issues or profits or cause Mortgagee to (i) be responsible for performing any of the obligations of lessor under the Lease, or (ii) be responsible or liable for any waste or for any dangerous or defective conditions of the Premises, for negligence in the management, upkeep, repair or control of the Premises, or for any other act or omission by any other person.

Application of Income Received by Mortgagee.

21. (a) As long as no Event of Default exists, moneys received by Mortgagee, if any, as Basic Rent (as defined in the Lease) under the Lease, pursuant to the Assignment, and any

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late charge on or overdue installment of such moneys, shall be applied as follows:

(i) to the Installment Payment required to be made on the Note (and such interest on any overdue amount thereof) on or about the date on which such Basic Rent is paid and to any other sums then due and owing hereunder; and

(ii) provided that no moneys are then due and payable to Mortgagee or any Holder under this Mortgage or under any other Note Document, the excess, if any, of any such Basic Rent after the application thereof pursuant to clause (i) above shall be paid to Mortgagor, or otherwise upon its written order, free of the lien hereof.

(b) As long as no Event of Default exists, provided that no moneys are then due and payable to Mortgagee or any Holder under this Mortgage or under any other Note Document, moneys received by Mortgagee, if any, as Additional Rent under the Lease pursuant to the assignment, shall be applied by it to the purposes for which such moneys were paid (including, where applicable, to the reimbursement of Mortgagor for moneys paid for Lessee's account pursuant to the Lease).

(c) After the occurrence of an Event of Default, the avails, rents, issues and profits of the Premises from any source received by Mortgagee may be applied by Mortgagee on account of the following, in such order as Mortgagee may determine:

- (i) to the payment of the operating expenses of the Premises, including cost of management and leasing thereof (which shall include reasonable compensation to Mortgagee and its agent or agents, if management be delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases), established claims for damages, if any, and premiums on insurance hereinabove authorized;
- (ii) to the payment of taxes and special assessments now due or which may hereafter become due on the Premises;
- (iii) to the payment of all maintenance, repairs, decorations, renewals, replacements, alterations, additions, betterments and improvements of the Premises, and of placing the Premises in such

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condition as will, in the judgment of Mortgagee, make it readily rentable; and

- (iv) to the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale in such order of application as provided in Section 18 of this Mortgage.

Mortgagee's Right of Inspection.

22. Mortgagee and all Holders shall have the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose.

Release.

23. After Mortgagor has either (i) fully paid all principal and interest on the Note and all other sums due and payable under the Note, and has fulfilled all other obligations of Mortgagor contained in the Note Agreement, this Mortgage and the other Note Documents, or (ii) prepaid the Allocable Portion of the Notes with respect to the Premises in accordance with the provisions of Section 3 of the Note Agreement, and all other sums then due and payable under the Note, then Mortgagee shall release this Mortgage and the lien thereof by delivery to Mortgagor of proper instruments in recordable form.

Giving of Notice.

24. Any communications provided for hereunder shall be in writing and delivered by hand or sent first class mail or sent by telex or telecopy (with such telex or telecopy confirmed promptly in writing sent by first class mail), or by other commercially prevalent means of communication sent:

if to Mortgagor:

American Stores Properties, Inc.
709 East South Temple Street
Salt Lake City, Utah 84102

Attention: General Counsel

with a copy to:

American Stores Company
709 East South Temple Street
Salt Lake City, Utah 84102

Attention: General Counsel

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if to Mortgagee:

First Interstate Bank of Utah
180 South Main Street
Salt Lake City, Utah

Attention: Corporate Trust Department

or at such other address or to such other addressee as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice. All such communications shall be deemed to have been given or made when so delivered by hand or sent by telex or telecopy (answerback received), or five Business Days after being so mailed.

Remedies Not Exclusive.

25. Mortgagee shall be entitled to enforce payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this Mortgage or other agreement or any laws now or hereafter in force, notwithstanding that some or all of the said indebtedness and obligations secured hereby 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 other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given hereby to Mortgagee or to which it may be otherwise entitled, may be exercised, concurrently or independently, from time to time, and as often as it may be deemed expedient by Mortgagee and Mortgagee may pursue inconsistent remedies. No waiver of any default of the Mortgagor hereunder shall be implied from any omission by the Mortgagee or Holders to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that such waived default is waived only for the time and to the extent therein stated. No acceptance of any payment of any one or more delinquent installments which does not include interest at the Default Rate from the date of delinquency, together with any required late charge, shall constitute a waiver of the right of Mortgagee or Holders at any time thereafter to demand

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and collect payment of (i) interest at such Default Rate or (ii) late charges, if any.

Waiver of Statutory Rights.

26. To the extent permitted by law, Mortgagor hereby agrees that it shall not and will not apply for or avail itself of any appraisement, valuation, stay, extension or exemption laws or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Premises marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Premises sold as an entirety. To the extent permitted by law, Mortgagor hereby waives any and all rights of redemption of this Mortgage on its behalf and on behalf of each and every person acquiring any interest in or title to the Premises subsequent to the date of this Mortgage. To the extent permitted by law, Mortgagor hereby waives any statute of limitations applicable to this Mortgage and any and all rights to trial by jury in any action or proceeding in connection with the enforcement of this Mortgage.

Estoppel Affidavits.

27. Mortgagor, within twenty (20) days after written request from Mortgagee, shall (a) furnish a written statement, duly acknowledged, setting forth the unpaid principal of, and interest on, the indebtedness evidenced by the Note and whether or not any offset or defense exists against such indebtedness, and covering such other matters as Mortgagee may reasonably require, and (b) require Lessee to furnish a written statement, duly authorized, certifying (i) that the Lease is unmodified and in full force and effect (or if there has been any modification thereof, that the Lease is in full force and effect as modified and stating the nature of the modification); (ii) that, to the extent of Lessee's knowledge, Mortgagor is not in default under the Lease (or if such default exists, the specific nature and extent thereof); (iii) the date which the Basic Rent, Additional Rent (as defined in the Lease) and other charges under the Lease have been paid; and (iv) such other matters as Mortgagee may reasonably require.

Binding on Successors and Assigns.

28. This Mortgage may not be changed or terminated orally. The covenants contained in this Mortgage shall run with the Land and shall bind Mortgagor, the successors and

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assigns of Mortgagor, all subsequent owners, encumbrancers, tenants and subtenants of the Premises, and all persons claiming under or through Mortgagor, and shall inure to the benefit of Mortgagee, successors and assigns of Mortgagee and all subsequent holders of this Mortgage and the Holders.

Definitions of "Mortgagor" and "Mortgagee".

29. The word "Mortgagor" when used herein shall include: (a) the original Mortgagor named in the preambles hereof; (b) said original Mortgagor's successors and assigns; and (c) all owners from time to time of the Premises. The word "Mortgagee" when used herein shall include: (1) the original Mortgagee identified in the Preambles hereof; and (2) all successors and assigns of the original Mortgagee identified in the preambles hereof. The word "Holders" when used herein shall include: (x) Equitable, for so long as Equitable holds the Note or any portion thereof; (y) Equitable's successors and assigns; and (z) all subsequent or additional holders of the Note.

Captions.

30. The captions and headings of various paragraphs of this Mortgage are for convenience only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof. The term "including" when used herein shall mean including without limitation.

Security Agreement and Financing Statements.

31. Mortgagor and Mortgagee agree: (i) that this Mortgage shall constitute a Security Agreement within the meaning of the Uniform Commercial Code ("Code") of the State with respect to any property included in the definition herein of the word "Premises," which property may constitute a "fixture" (within the meaning of Section 9-313 of the Code), and all replacements of such property, substitutions for such property, additions to such property, and the proceeds thereof (said property, replacements, substitutions, additions and the proceeds thereof being sometimes herein collectively referred to as the "Collateral"); and (ii) that a security interest in and to the Collateral is hereby granted to the Mortgagee for the pro rata benefit of the Holders; all to secure payment of the indebtedness and to secure performance by Mortgagor of the terms, covenants and provisions hereof.

If an Event of Default occurs under this Mortgage, Mortgagee, pursuant to the appropriate provisions of the Code, shall have an option to proceed with respect to both the real property and Collateral in accordance with its rights, powers

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and remedies with respect to the real property, in which event the default provisions of the Code shall not apply. The parties agree that if Mortgagee shall elect to proceed with respect to the Collateral separately from the real property, Mortgagee shall have all remedies available to a secured party under the Code and ten (10) days' notice of the sale of the Collateral shall be reasonable notice. The reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by Mortgagee shall include, but not be limited to, attorneys' fees and costs and other legal expenses incurred by Mortgagee or any Holder. Mortgagor agrees that, without the written consent of Mortgagee, Mortgagor will not remove or permit to be removed from the Premises any of the Collateral except that so long as the Mortgagor is not in default hereunder, Mortgagor shall be permitted to sell or otherwise dispose of the Collateral when obsolete, worn out, inadequate, unserviceable or unnecessary for use in the operation of the Premises, but only upon replacing the same or substituting for the same other Collateral at least equal in value (taking into account price reductions resulting from technological advances) and utility to the initial value and utility of that disposed of and in such a manner that said replacement or substituted Collateral shall be subject to the security interest created hereby and that the security interest of Mortgagee shall be perfected and first in priority, it being expressly understood and agreed that all replacements, substitutions and additions to the Collateral shall be and become immediately subject to the security interest of this Mortgage and covered hereby. Mortgagor covenants and represents that all Collateral now is, and that all replacements thereof, substitutions therefor or additions thereto, unless Mortgagee otherwise consents, will be free and clear of liens, encumbrances, title retention devices and security interests of others.

Mortgagor and Mortgagee agree, to the extent permitted by law, that: (i) all of the goods described within the definition of the word "Premises" herein are or are to become fixtures on the Land; (ii) this instrument, upon recording or registration in the real estate records of the proper office, shall constitute a "fixture filing" within the meaning of Sections 9-313 and 9-402 of the Code; and (iii) Mortgagor is the record owner of the Land.

Mortgagor, upon request by Mortgagee from time to time, shall execute, acknowledge and deliver to Mortgagee, or cause Lessee and/or Guarantor to so execute, acknowledge and deliver to Mortgagee, a separate security agreement, financing statement, fixture filing or other similar security instruments, in form satisfactory to Mortgagee, covering all property of any kind whatsoever owned by Mortgagor or Lessee and/or Guarantor, as the case may be, which in the sole opinion

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of Mortgagee is essential to the operation of the Premises and which constitutes fixtures within the meaning of the Code or concerning which there may be any doubt whether the title to same has been conveyed by or security interest perfected by this Mortgage under the laws of the state in which the Premises are located, and will further execute, acknowledge and deliver or cause to be executed, acknowledged and delivered, any financing statement, fixture filing, affidavit, continuation statement or certificate or other document as Mortgagee or any Holder may request in order to perfect, preserve, maintain, continue and extend the security interest under and the priority of this Mortgage and such security instrument. Mortgagor further agrees to pay to Mortgagee on demand all costs and expenses incurred by Mortgagee or any Holder in connection with the preparation, execution, recording, filing and re-filing of any such document. To the extent permitted by the provisions of the Code now or hereafter in effect in the state in which the Premises are located, Mortgagor hereby authorizes Mortgagee or any Holder, without the signature of Mortgagor, to execute and file any of the documents described in this Section if Mortgagee shall determine that such are necessary or advisable in order to perfect its security interest in the Collateral.

Partial Invalidity; Maximum Allowable Rate of Interest.

32. Mortgagor and Mortgagee intend and believe that each provision in this Mortgage and in the Note comports with all applicable local, state and federal laws and judicial decisions. However, if any provision or provisions, or if any portion of any provision or provisions, in this Mortgage or the Note is found by a court of law to be in violation of any applicable local, state or federal ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such portion, provision or provisions of this Mortgage and the Note to be illegal, invalid, unlawful, void or unenforceable as written, then it is the intent both of Mortgagor and Mortgagee that such portion, provision or provisions shall be given force to the fullest possible extent that they are legal, valid and enforceable, that the remainder of this Mortgage and the Note shall be construed as if such illegal, invalid, unlawful, void or unenforceable portion, provision or provisions were not contained therein, and that the rights, obligations and interest of Mortgagor and Mortgagee and the Holders under the remainder of this Mortgage and the Note shall continue in full force and effect. All agreements herein and in the Note are expressly limited so that in no contingency or event whatsoever, whether by reason of advancement of the proceeds hereof, acceleration of maturity of the unpaid principal balance of the Note, or otherwise, shall the amount paid or agreed to be paid to the Holders for the

use, forbearance or detention of the money to be advanced hereunder exceed the highest lawful rate permissible under applicable usury laws. If, from any circumstances whatsoever, fulfillment of any provision hereof or of the Note or any other agreement referred to herein, at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by law which a court of competent jurisdiction may deem applicable hereto, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity and if from any circumstance the Holders shall ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the unpaid principal balance due under the Note and not to the payment of interest.

Mortgagee's Lien for Expenses and Advances

33. At all times, regardless of whether any proceeds under the Note have been disbursed, this Mortgage secures (in addition to any such proceeds disbursed from time to time) the payment of any and all liquidated damages, expenses and advances due to or incurred by Mortgagee in connection with the indebtedness to be secured hereby including, without limitation, the compensation, expenses and disbursements of the Mortgagee hereunder and under the Trust Indenture.

Applicable Law.

34. This Mortgage was made by Mortgagor and accepted by Mortgagee in the State of New York, and the proceeds of the indebtedness secured hereby were disbursed from New York, which state the parties agree has a substantial relationship to the parties and the transaction embodied hereby. In all respects, including, without limitation, matters of construction, validity and performance, this Mortgage and the obligations arising hereunder shall be governed by, and construed in accordance with, the internal laws of the State of New York applicable to contracts made and to be performed in such State (without regard to principles of conflicts of laws) and any applicable laws of the United States of America, except with respect to the provisions hereof which relate to the creation, validity, perfection, priority and enforceability of the lien and security interest created by this Mortgage, and any warranties of title contained herein with respect to the Premises, and the provisions hereof relating to the realization of the security covered by this Mortgage which shall be governed by the State, it being understood that the law of the State of New York shall govern the validity and enforceability of the Note Agreement, and the indebtedness or obligations arising thereunder.

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Truth-in-Lending.

35. Mortgagor represents and agrees that the obligations secured hereby constitute an exempt transaction under the Truth-in-Lending Act, 15 U.S.C., § 1601 et seq.

No Offsets.

36. No offset or claim that Mortgagor now has or may have in the future against Mortgagee or any Holder shall relieve Mortgagor from paying any amounts due under the Note or hereunder or from performing any other obligations contained herein or secured hereby.

Assignment of Prior Property Documents

37. To further secure its obligations hereunder and under the other Note Documents, Mortgagor hereby collaterally assigns to Mortgagee all of its right, title and interest (but not liabilities) in, to and under the Prior Property Documents.

Extensions.

38. Mortgagee, with the consent of Mortgagor, may at any time or from time to time renew or extend this Mortgage, or alter or modify the same in any way, or Mortgagee may waive any of the terms, covenants or conditions hereof in whole or in part and may release any portion of the Premises or any other security, and grant such extensions and indulgences in relation to the indebtedness secured hereby as Mortgagee may determine without the consent of any junior lien or encumbrancer and without any obligation to give notice of any kind thereto and without in any manner affecting the priority of the lien hereof on any part of the Premises.

Miscellaneous

39. All of the provisions herein contained shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto, to the same extent as if each such successor and assign were in each case named as a party to this Mortgage. Wherever used, the singular

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shall include the plural, and the plural include the singular.
All Exhibits to this Mortgage are incorporated by reference
herein.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage
under seal on the day and year first above written.

(Seal)

AMERICAN STORES PROPERTIES, INC.,
a Delaware corporation

Attest:

By: *Kent T. Anderson*

By: *J. Greg Spencer*

Print Name: Kent T. Anderson

Print Name: J. Greg Spencer

Title: Assistant Secretary

Title: Vice President

Property of Cook County Clerk's Office

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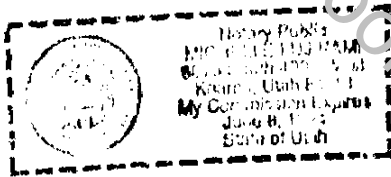
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STATE OF Utah)
COUNTY OF Salt Lake) SS:

On this 10th day of April, 1992,
before me personally came J. Greg Spencer
_____, to
me known to be the Vice President of the corporation described in
and which executed the foregoing instrument, and he/~~she~~
acknowledged that he/~~she~~ executed the same as the Vice President
and on behalf of, said corporation.



Michelle Fujinami
Notary Public

Cook County Clerk's Office

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EXHIBIT A

Legal Description

(River Forest, Cook County, Illinois)

PARCEL 1:

LOTS 1, 2, 3, 4, 5 AND 6 IN P. L. MURPHY'S SUBDIVISION IN THE NORTHEAST 1/4 OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT THEREOF RECORDED JUNE 14, 1888, AS DOCUMENT NUMBER 969984, IN COOK COUNTY, ILLINOIS

PARCEL 2:

LOTS 38 TO 40 INCLUSIVE IN P. L. MURPHY'S SUBDIVISION IN THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JUNE 14, 1888, AS DOCUMENT NUMBER 969984, IN COOK COUNTY, ILLINOIS

PARCEL 3:

THAT PART OF THE NORTHEAST 1/4 OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT FORMED BY THE INTERSECTION OF THE SOUTH LINE OF WEST LAKE STREET AND THE EAST LINE OF JACKSON AVENUE, SAID POINT BEING 33 FEET SOUTH OF THE CENTER LINE OF WEST LAKE STREET AND 470 FEET EAST OF THE WEST LINE OF SAID NORTHEAST 1/4; THENCE SOUTH ALONG THE EAST LINE OF JACKSON AVENUE, 117.50 FEET; THENCE EAST PARALLEL TO THE SOUTH LINE OF WEST LAKE STREET, 254.50 FEET; THENCE NORTH PARALLEL TO THE EAST LINE OF JACKSON AVENUE, 214.50 FEET; THENCE WEST ALONG THE SOUTH LINE OF WEST LAKE STREET 254.50 FEET TO THE EAST LINE OF JACKSON AVENUE AND THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS

PARCEL 4:

THE SOUTH 214.50 FEET OF THE NORTH 247.50 FEET LYING SOUTH OF THE CENTERLINE OF LAKE STREET OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE EAST 465.50 FEET THEREOF AND EXCEPT THE WEST 724.5 FEET THEREOF), IN COOK COUNTY, ILLINOIS

PARCEL 5:

THAT PART OF VACATED JACKSON AVENUE, IN THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF A LINE 40 FEET SOUTH OF THE CENTERLINE OF WEST LAKE STREET, AND LYING NORTH OF A LINE 247.50 FEET SOUTH OF THE CENTERLINE OF WEST LAKE STREET, IN COOK COUNTY, ILLINOIS

PARCEL 6:

THAT PART OF THE 16 FOOT EAST-WEST VACATED ALLEY LYING NORTH OF AND ADJACENT TO LOT 40 IN P. L. MURPHY'S SUBDIVISION IN THE NORTHEAST 1/4 OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JUNE 14, 1888 AS DOCUMENT 969984, IN COOK COUNTY, ILLINOIS

Common Address: 7523-7525 Lake Street
River Forest, Illinois

PIN: 15-12-219-009; 15-12-219-010; 15-12-219-011; 15-12-219-012;
15-12-219-013; 15-12-219-019; 15-12-220-005; 15-12-220-030
7523-7525 Lake Street

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