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CONSTRUCTION MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

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This CONSTRUCTION MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT is made and entered as of June 30, 1993 (the "Mortgage"), from E.K. LIMITED PARTNERSHIP, an Illinois limited partnership (the "Mortgagor"), whose address is c/o Great Lakes Partners, One Parkview Plaza, Suite 750, Oakbrook Terrace, Illinois 60181, to and for the benefit of LASALLE NATIONAL BANK, a national banking association (the "Mortgagee"), whose address is 120 South La Salle Street, Chicago, Illinois 60603.

WITNESSETH:

WHEREAS, the Mortgagor is justly indebted to the Mortgagee for a loan (the "Loan") in the principal amount of Three Hundred Thousand and 00/100 Dollars (\$300,000.00), pursuant to that certain Construction Loan Agreement dated as of June 30, 1993 (along with any and all amendments thereto, the "Loan Agreement"), and as evidenced by that certain Note dated as of June 30, 1993 (along with any and all notes issued in renewal thereof or in substitution or replacement therefor, the "Note"; the Loan Agreement, the Note, this Mortgage and all other documents executed in connection therewith being collectively referred to herein as the "Loan Documents") in the principal amount of Three Hundred Thousand and 00/100 Dollars (\$300,000.00), executed by the Mortgagor and made payable to the order of the Mortgagee, in and by which Loan Agreement and Note, the Mortgagor promises to pay such principal sum and interest thereon as set forth in the Loan Agreement. Interest on the principal amount of the Loan outstanding from time shall:

(a) accrue from and after the date hereof through and including July 30, 1993, at the "Prime Rate" plus one and one-half percent (the "Floating Interest Rate"), and from and after July 30, 1993 through and including the Maturity Date of the Note, at the option of the Mortgagee, at (i) the Floating Interest Rate, or (ii) the interest rate on two (2) year United States Treasury Constant Maturities on July 30, 1993, as determined by the Bank in its sole and absolute discretion, plus three percent; and

THIS DOCUMENT WAS PREPARED BY,
AND AFTER RECORDING, RETURN TO:

Gary K. Fordyce, Esq.
ABN AMRO North America, Inc.
135 South La Salle Street
Suite 325
Chicago, Illinois 60603

PERMANENT INDEX NUMBER:

29 24 200 047

PROPERTY ADDRESS:

159th Street and Paxton Avenue
Calumet City, Illinois 60409

BOX 333

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74-46-32240-1
272240-1

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(b) be computed upon advances of the Loan from and including the date of each advance by the Mortgagee to or for the account of the Mortgagor (whether to an escrow or otherwise), for the actual number of days elapsed on the basis of a year consisting of three hundred sixty (360) days.

For purposes hereof, the phrase "Prime Rate" shall mean the rate in effect from time to time as set by the Bank, and called its Prime Rate. Following maturity or the occurrence of an Event of Default (as hereinafter defined) at the Floating Interest Rate plus 3.00% (the "Default Rate"). Each installment shall be paid at such place as the holder of the Note may, from time to time, in writing appoint, and in the absence of such appointment, then at the office of LaSalle National Bank, 120 South La Salle Street, Chicago, Illinois 60603. Capitalized words and phrases not defined herein shall have the meanings assigned thereto in the Loan Agreement.

NOW, THEREFORE, in consideration of the debt evidenced by the Note and to secure the payment of said principal sum of money and said interest in accordance with the terms, provisions and limitations of this Mortgage and the Loan Agreement, and of the Loan and Note secured hereby, including any and all extensions, modifications and renewals of the foregoing indebtedness and the performance of the covenants and agreements therein contained, by the Mortgagor to be performed, and also in consideration of the sum of One Dollar (\$1.00) in hand said, the receipt whereof is hereby acknowledged, the Mortgagor does by these presents GRANT, MORTGAGE and CONVEY unto the Mortgagee, its successors and assigns, the following described real estate and all of its estate, right, title and interest therein, situate, lying and being in Calumet City, County of Cook, State of Illinois, which is more specifically described on Exhibit "A" attached hereto, which, with the property hereinafter described, is referred to herein as the "Premises";

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such times as the Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily), including, without limitation, the following:

(a) If and to the extent owned by the Mortgagor: all fixtures, fittings, furnishings, appliances, apparatus, equipment and machinery including, without limitation, all gas and electric fixtures, radiators, heaters, engines and machinery, boilers, ranges, ovens, elevators and motors, bathtubs, sinks, water closets, basins, pipes, faucets and other air-conditioning, plumbing and heating fixtures, mirrors, mantles, refrigerating plants, refrigerators, iceboxes, dishwashers, carpeting, furniture, laundry equipment, cooking apparatus and appurtenances, and all building material, supplies and equipment now or hereafter delivered to the Premises and intended to be installed

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therein; all other fixtures and personal property of whatever kind and nature at present contained in or hereafter placed in any building standing on the Premises; such other goods, equipment, chattels and personal property as are usually furnished by landlords in letting other premises of the character of the Premises; and all renewals or replacements thereof or articles in substitution thereof; and all proceeds and profits thereof and all of the estate, right, title and interest of the Mortgagor in and to all property of any nature whatsoever, now or hereafter situated on the Premises or intended to be used in connection with the operation thereof;

(b) All of the right, title and interest of the Mortgagor in and to any fixtures or personal property subject to a lease agreement, conditional sale agreement, chattel mortgage, or security agreement, and all deposits made thereon or therefor, together with the benefit of any payments now or hereafter made thereon;

(c) All leases and use agreements of machinery, equipment and other personal property of the Mortgagor in the categories hereinabove set forth, under which the Mortgagor is the lessee of, or entitled to use, such items;

(d) All rents, income (including income and receipts from the use and occupancy of any hotel rooms), profits, revenues, receipts, royalties, bonuses, rights, accounts, contract rights, general intangibles and benefits and guarantees under any and all leases, tenancies, licenses or other use agreements or arrangements now existing or hereafter created of the Premises or any part thereof (including any business conducted thereon) with the right to receive and apply the same to indebtedness due the Mortgagee and the Mortgagee may demand, sue for and recover such payments but shall not be required to do so;

(e) All judgments, awards of damages and settlements hereafter made as a result of or in lieu of any taking of the Premises of any part thereof or interest therein under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Premises or the improvements thereon or any part thereof or interest therein, including any award for change of grade of streets;

(f) All proceeds of the conversion, voluntary or involuntary of any of the foregoing into cash or liquidated claims;

(g) Any monies on deposit for the payment of real estate taxes or special assessments against the Premises or for the payment of premiums on policies of fire and other hazard insurance covering the collateral described hereunder or the Premises, and all proceeds paid for damage done to the collateral described hereunder or the Premises;

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(h) All substitutions, replacements, additions and proceeds, including insurance and condemnation award proceeds, of any of the foregoing property; it being understood that the enumeration of any specific articles of property shall in no wise exclude or be held to exclude any items of property not specifically mentioned. All of the land, estate and property hereinabove described, real, personal and mixed, whether affixed or annexed or not (except where otherwise hereinabove specified) 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 be for the purposes of this Mortgage deemed to be real estate and conveyed and mortgaged hereby. As to any of the property aforesaid which (notwithstanding the aforesaid declaration and agreement) does not so form a part and parcel of the real estate, this Mortgage is hereby deemed to be, as well, a Security Agreement under the Uniform Commercial Code in effect in the jurisdiction in which the Premises are located (hereinafter referred to as the "UCC") for the purpose of creating hereby a security interest in such property, which the Mortgagor hereby grants to the Mortgagee as Secured Party (as said term is defined in the UCC), securing said indebtedness and obligations and the Mortgagee shall have in addition to its rights and remedies hereunder all rights and remedies of a Secured Party under the UCC. As to above personal property which the UCC classifies as fixtures, this instrument shall constitute a fixture filing and financing statement under the UCC.

The Mortgagor covenants (i) that it is lawfully seized of the Premises, (ii) that the same are subject only to the liens, encumbrances, conditions, restrictions, easements, and other matters, rights or interests disclosed in Exhibit "B" attached hereto and made a part hereof, and (iii) that it has good right, full power and lawful authority to convey and mortgage the same and that it will warrant and forever defend the Premises and the quiet and peaceful possession of the same against the lawful claims of all persons whomsoever.

As used in this Mortgage, the term "indebtedness" shall mean and include the principal sum of the Loan pursuant to the Loan Agreement as evidenced by the Note, together with all interest, and late charges thereon, any other payments due to the Mortgagee thereunder, and all other sums at any time secured by this Mortgage. Further, as used in this Mortgage, the terms "Loan" and "Note" shall mean and include any renewals, modifications, extensions, amendments and replacements thereof.

TO HAVE AND TO HOLD the Premises unto the Mortgagee, its successors and assigns, for the purposes and uses herein set forth.

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IT IS FURTHER UNDERSTOOD AND AGREED THAT:

Maintenance, Repair and Restoration of Improvements, Payment of Prior Liens

1. The Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Premises which may become damaged or be destroyed; (b) keep the Premises in good condition and repair, without waste, and free from mechanics' liens or other liens or claims for lien not expressly subordinated to the lien hereof; (c) pay when due any indebtedness which may be secured by a lien or charge on the Premises superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to the Mortgagee; (d) complete within the Completion Date any building or buildings now or at any time in process of erection upon the Premises; (e) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the Premises and the use thereof; (f) make no alterations in the Premises not in accordance with the Plans and Specifications; (g) suffer or permit no change in the general nature of the occupancy of the Premises, without the Mortgagee's prior written consent; (h) initiate or acquiesce in no zoning variation or reclassification, without the Mortgagee's prior written consent; and (i) pay each item of indebtedness secured by this Mortgage when due according to the terms hereof or of the Loan Agreement.

Payment of Taxes

2. The 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 when due, and shall, upon written request, furnish to the Mortgagee duplicate receipts therefor.

Tax Deposits

3. The Mortgagor covenants and agrees to deposit with such Depository as the Mortgagee may from time to time in writing appoint, and in the absence of such appointment, then at the office of the Mortgagee set forth on the first page of this Mortgage, commencing on the first day of the calendar month following such request by the Mortgagee, and on the first day of each calendar month thereafter until the indebtedness secured by this Mortgage is fully paid, a sum equal to one-twelfth of 110% of the last total annual taxes and assessments (general and special) for the last ascertainable year on the Premises (unless said taxes are based upon assessments which exclude the improvements or any part thereof now constructed or to be constructed, in which event the amount of such deposits shall be based upon the Mortgagee's reasonable estimate as to the amount of taxes and assessments to be levied and assessed). Such deposits shall be held without allowance for interest and shall be used for the payment of taxes and assessments (general and special) on the Premises next due and payable when they become due. If the funds so deposited are insufficient to pay

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any such taxes or assessments (general and special) for any year when the same shall become due and payable, the Mortgagor shall, within ten (10) days after receipt of demand therefor, deposit such additional funds as may be necessary to pay such taxes and assessments (general and special) in full. If the funds so deposited exceed the amount required to pay such taxes and assessments (general and special) for the year, the excess shall be applied on a subsequent deposit or deposits. Said deposits need not be kept separate and apart from other funds of the Mortgagee or said Depository.

Anything in this Paragraph 3 to the contrary notwithstanding, if the funds so deposited are insufficient to pay any such taxes or assessments (general or special) or any instalment thereof, the Mortgagor will, not later than 30 days prior to the last day on which the same may be paid without penalty or interest, deposit with such Depository the full amount of any such deficiency.

If any such taxes or assessments (general or special) shall be levied, charged, assessed or imposed upon or for the Premises, or any portion thereof, and if such taxes or assessments shall also be a levy, charge, assessment or imposition upon or for any other premises not covered by the lien of this Mortgage, then the computation of any amount to be deposited under this Paragraph 3 shall be based upon the entire amount of such taxes or assessments, and the Mortgagor shall not have the right to apportion the amount of any such taxes or assessments for the purpose of such computation.

Mortgagee's Interest In and Use of Deposits

4. Following an Event of Default, the Mortgagee may at its option, without being required to do so, apply any monies at the time of deposit pursuant to Paragraphs 3 and 5 hereof, on any of the Mortgagor's obligations herein or in the Loan Agreement contained, in such order and manner as the Mortgagee may elect. When the indebtedness secured hereby has been fully paid, any remaining deposits shall be paid to the Mortgagor or to the then owner of the Premises. A security interest within the meaning of the UCC is hereby granted to the Mortgagee in and to any monies on deposit pursuant to Paragraphs 3 and 5 hereof, as additional security for the indebtedness hereunder and shall be applied by the Depository for the purposes made hereunder and shall not be subject to the direction or control of the Mortgagor; provided, however, that neither the Mortgagee nor said Depository shall be liable for any failure to apply to the payment of taxes, assessments and insurance premiums any amount so deposited unless the Mortgagor, prior to an Event of Default hereunder, shall have requested said Depository in writing to make application of such funds to the payment of the particular taxes, assessments and insurance premiums for payment of which they were deposited, accompanied by the bills for such taxes, assessments and insurance premiums. Any Depository hereunder shall not be liable for any act or omission taken in good faith or pursuant to the instruction of any party but shall be liable only for its gross negligence or willful misconduct.

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Insurance

5. The Mortgagor shall keep all buildings and improvements now or hereafter situated on the Premises insured against loss or damage by policies of All Risk Replacement Cost Insurance with an Agreed Amount Endorsement and such other appropriate insurance as may be required by the Mortgagee, all in form and substance satisfactory to the Mortgagee, including, without limitation, rent insurance, business interruption insurance, flood insurance (if and when the Premises lie within an area designated by an agency of the federal government as a flood risk area) and war risk insurance whenever in the opinion of the Mortgagee such protection is necessary and such war risk insurance is obtainable from an agency of the United States Government. The Mortgagor shall also provide liability insurance with such limits for personal injury and death and property damage as the Mortgagee may require. All policies of insurance to be furnished hereunder shall be in forms, companies and amounts satisfactory to the Mortgagee, each insurer to have a Best's rating of A+:XV, with loss payee and/or mortgagee clauses attached to all policies in favor of and in form satisfactory to the Mortgagee, including a provision requiring that the coverage evidenced thereby shall not be terminated or materially modified without 10 days prior written notice to the Mortgagee. The Mortgagor shall deliver certificates evidencing all such policies including additional and renewal policies, to the Mortgagee, and, in the case of insurance about to expire, shall deliver renewal policies not less than ten (10) days prior to their respective dates of expiration.

The Mortgagor shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained hereunder unless the Mortgagee is included thereon under a standard mortgagee clause acceptable to the Mortgagee. The Mortgagor shall immediately notify the Mortgagee whenever any such separate insurance is taken out and shall promptly deliver to the Mortgagee the policy or policies of such insurance.

It is further covenanted and agreed that for the purpose of providing funds with which to pay the premiums on the insurance policies required by the Mortgagee, the Mortgagor shall deposit with the Mortgagee on the first day of each month commencing on the date of the first payment of principal, an amount equal to the premiums that will next become due and payable on such policies divided by the number of months to elapse prior to the date when such premiums become delinquent. No interest shall be payable on such deposits, and such deposits need not be kept in a separate account.

Adjustment of Losses With Insurer and Application of Proceeds of Insurance

6. In case of loss or damage by fire or other casualty, the Mortgagee is authorized (a) to settle and adjust any claim under insurance policies which insure against such risks, or (b) to allow the Mortgagor to agree with the insurance company or companies on

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the amount to be paid in regard to such loss. In either case, the Mortgagee is authorized, to collect and issue a receipt for any such insurance money. In accordance with Article VIII of the Loan Agreement, such insurance proceeds shall be applied either to reduce the indebtedness secured hereby or to reimburse the Mortgagor for the cost of rebuilding and restoration. Irrespective of whether such insurance proceeds are used to reimburse the Mortgagor for the cost of said rebuilding or restoration or not, and irrespective of whether such insurance proceeds are or are not adequate for such purpose, the buildings and improvements shall be so restored or rebuilt so as to be of at least equal value and substantially the same character as prior to such damage or destruction. If the cost of rebuilding, repairing or restoring the building and improvements can reasonably exceed the sum of Twenty Five Thousand and 00/100 Dollars (\$25,000.00), then the Mortgagee shall approve plans and specifications of such work before such work shall be commenced. In any case, where the insurance proceeds are used for rebuilding and restoration, such proceeds shall be disbursed in the manner and under the conditions that the Mortgagee may require and upon the Mortgagee being furnished with satisfactory evidence of the estimated cost of completion thereof and with architect's certificates, waivers of lien, contractor's and subcontractors' sworn statements and other evidence of cost and payments so that the Mortgagee can verify that the amounts disbursed from time to time are represented by completed and in place work and that said work is free and clear of mechanics' lien claims. If the estimated cost of completion exceeds the amount of the insurance proceeds available, the Mortgagor shall immediately on written demand of the Mortgagee, deposit with the Mortgagee in cash the amount of such estimated excess cost. 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 such proceeds remaining in the hands of the disbursing party shall be at least sufficient to pay for the cost of completion of the work free and clear of liens. Any surplus which may remain out of said insurance proceeds after payment of such cost of building or restoration shall, at the option of the Mortgagee, be applied on account of the indebtedness secured hereby or be paid to any party entitled thereto without interest.

Stamp Tax

7. If, by the laws of the United States of America, or of any state having jurisdiction over the Mortgagor, any tax is due or becomes due in respect of the issuance of the Note, the Mortgagor covenants and agrees to pay such tax in the manner required by any such law. The Mortgagor further covenants to reimburse the Mortgagee for any sums which the Mortgagee may expend by reason of the imposition of any tax on the issuance of the Note.

Lease of Premises

8. The Mortgagor shall not, without the Mortgagee's prior written consent, enter into any lease of the Premises.

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The Mortgagor, at its sole cost and expense, shall (i) at all times promptly and faithfully abide by, discharge and perform all of the covenants, conditions and agreements contained in all leases of the Premises, on the part of the landlord thereunder to be kept and performed; (ii) enforce or secure the performance of all of the covenants, conditions and agreements of such leases on the part of the lessee to be kept and performed; (iii) appear in and defend any action or proceeding arising under, growing out of or in any manner connected with such leases or the obligations, duties or liabilities of landlord or of the lessees thereunder; (iv) furnish the Mortgagee, within ten (10) days after a request by the Mortgagee to do so, a written statement containing the names of all lessees, terms of all leases of the Premises, including the spaces occupied and the rentals payable thereunder; (v) exercise within five (5) days of any demand therefor by the Mortgagee any right to request from the lessee under any lease of the Premises a certificate with respect to the status thereof; and (vi) not permit any lease of the Premises to become subordinate to any lien on the Premises without the prior written consent of the Mortgagee and will include in each lease of the Premises a provision whereby the lessee thereunder covenants that it will not subordinate its leasehold interest therein to any lien on the Premises without the prior written consent of the Mortgagee.

Nothing in this Mortgage or in any other documents relating to the loan secured hereby shall be construed to obligate the Mortgagee, expressly or by implication, to perform any of the covenants as landlord under any of the leases assigned to the Mortgagee or to pay any sum of money or damages therein provided to be paid by the landlord, each and all of which covenants and payments the Mortgagor agrees to perform and pay. Unless waived by the Mortgagee, all leases of space in the Premises shall have subordination provisions, in form and substance reasonably satisfactory to the Mortgagee, subordinating the interest of the tenants under such leases to this Mortgage, and all renewals, modifications, consolidations, replacements and extensions hereof and shall have attornment and noncancellation clauses in form and substance reasonably satisfactory to the Mortgagee. Until the indebtedness and other sums secured by this Mortgage are paid in full, the Mortgagee reserves the right to require that specific leases be made either superior to or inferior to the lien of this Mortgage.

In the event of the enforcement by the Mortgagee of the remedies provided for by law or by this Mortgage, the lessee under each lease of the Premises shall attorn to any person succeeding to the interest of the Mortgagor as a result of such enforcement and shall recognize such successor in interest as Landlord under such lease without change in the terms or other provisions thereof; provided, however, that said successor in interest shall not be bound by any payment of rent or additional rent for more than one month in advance, and shall not be bound by any amendment or modification to any lease made without the consent of the Mortgagee or said successor in interest. Each lessee, upon request by said

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successor in interest, shall execute and deliver an instrument or instruments confirming such attornment.

The Mortgagee shall be entitled to cure any default of landlord in any lease of the Premises, and the cost to cure any such default (including, without limitation, reasonable attorneys' fees), together with interest thereon at the Default Rate shall be so much additional indebtedness secured hereby and shall be immediately due and payable without notice.

Effect of Extensions of Time

9. If the payment of said indebtedness or any part thereof is extended or varied or if any part of any security for the payment of the indebtedness is released or additional security is taken, 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 taking of additional security or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding such extension, variation, taking of additional security or release.

Effect of Changes in Laws Regarding Taxation

10. In the event of the enactment after this date of any law of the state in which the Premises are located deducting from the value of the land for the purpose of taxation any lien thereon, or imposing upon the Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by the Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the Mortgagee's interest in the Premises, or the manner of collection of taxes, so as to affect this Mortgage or the debt secured hereby or the holders thereof, then, and in any event, the Mortgagor, upon demand by the Mortgagee, shall pay such taxes or assessments, or reimburse the Mortgagee therefor; provided, however, that if in the opinion of counsel for the Mortgagee (a) it might be unlawful to require the 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, the Mortgagee may elect, by notice in writing given to the Mortgagor, to declare all of the indebtedness secured hereby to be and become due and payable 60 days from the giving of such notice.

Mortgagee's Performance of Defaulted Acts

11. Following an Event of Default, the Mortgagee may, but need not, make any payment or perform any act herein required of the Mortgagor in any form and manner deemed expedient, 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

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consent to any tax or assessment or cure any default of landlord in any lease of the Premises. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other monies advanced by the Mortgagee in regard to any stamp tax or any leases of the Premises or to protect the Premises and the lien hereof, shall be so much additional indebtedness secured hereby, and shall become immediately due and payable without notice and with interest thereon at the Default Rate. Inaction of the Mortgagee shall never be considered as a waiver of any right accruing to it on account of an Event of Default.

Mortgagee's Reliance on Tax Bills

12. The Mortgagee in making any payment hereby authorized: (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 Event of Default

13. The occurrence of any one or more of the following shall constitute an "Event of Default" as said term is used herein, and any Event of Default hereunder shall constitute a Default under each of the other Loan Documents:

(a) failure to pay when due any of the principal or interest on the Note or any other amounts when and as the same becomes due according to the terms of the Loan Agreement;

(b) any failure of the Mortgagor to observe or perform any of the covenants, terms or conditions under this Mortgage or any of the other Loan Documents;

(c) any oral or written warranty, representation, report, certificate or statement made now or hereafter by the Mortgagor to the Mortgagee in connection with this Mortgage, any of the other Loan Documents, or any other agreement entered into between the Mortgagor to the Mortgagee, is not true and correct;

(d) any default shall occur under any other agreement or financing arrangement now existing or hereafter entered into between the Mortgagor and the Mortgagee or between the Mortgagor and any other party;

(e) the entry of any judgment, levy, attachment, garnishment or other process, or the filing of any lien against the Mortgagor, Great Lakes Properties of Wisconsin, Inc., a Wisconsin corporation ("Great Lakes Properties") or any other

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party liable with respect to any of the obligations evidenced by any of the Loan Documents, any guarantor or accommodation endorser or third party pledgor for any of the obligations evidenced by any of the Loan Documents (collectively, a "Guarantor");

(f) the commencement of any bankruptcy, reorganization, arrangement, insolvency, readjustment, liquidation, dissolution or other proceedings for relief under any present or future bankruptcy law or laws or other statute, law or regulation for the relief of debtors are instituted by or against any of the Mortgagor, Great Lakes Properties, or any Guarantor, and if instituted against any such party, such proceedings are consented to or acquiesced in or are not dismissed within thirty (30) days after the institution of such proceedings, or any such party takes any action in contemplation of or furtherance of any of the foregoing

(g) the Mortgagor, Great Lakes Properties or a Guarantor admits in writing its inability to pay its debts as they mature or makes an assignment for the benefit of creditors or applies for or consents to the appointment of a trustee, custodian or receiver for the major part of its property, or such trustee, custodian or receiver is appointed for any such party or for the major part of the properties of any of them and is not discharged within thirty (30) days after such appointment;

(h) the entry of any judgment, levy, attachment, garnishment or other process, or the filing of any lien against the Premises or any other collateral securing the Loan Agreement and the Note which is not insured against or bonded over to the satisfaction of the Mortgagee, or the deterioration, impairment any decline or depreciation in the value or market price of the Premises (whether actual or reasonably anticipated), which causes the Premises, in the sole opinion of the Mortgagee acting in good faith, to become unsatisfactory as to value or character, or which causes the Mortgagee to reasonably believe that it is insecure and that the likelihood for repayment of any of the obligations evidenced by any of the Loan Documents is or will soon be impaired, time being of the essence;

(i) the occurrence of a Prohibited Transfer (as defined in Section 31 of this Mortgage);

(j) the occurrence of a Default under the Loan Agreement or a default under any of the other Loan Documents;

(k) the Mortgagor or Great Lakes Properties shall be dissolved, terminated or merged, or the determination by the Mortgagee that a material adverse change has occurred in the financial condition of the Mortgagor or Great Lakes Properties from the condition set forth in the most recent financial statement of the Mortgagor or Great Lakes Properties furnished

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to the Mortgagee, or from the financial condition of the Mortgagor or Great Lakes Properties most recently disclosed to the Mortgagee in any manner;

(l) the failure of the Mortgagor or Great Lakes Properties, after request by the Mortgagee, to permit inspection by the Mortgagee of the Premises or the books and records of the Mortgagor or Great Lakes Properties; or

(m) the occurrence of any default by the Borrower under any of the lease of the Premises, including any and all extensions, renewals, modifications or replacements and renewals of such leases.

Upon the occurrence of an Event of Default, then and in every such case the whole of the indebtedness hereby secured shall, at once, at the option of the Mortgagee, become immediately due and payable without notice to the Mortgagor. If, while any insurance proceeds or condemnation awards are being held by the Mortgagee to reimburse the Mortgagor for the cost of rebuilding or restoration of buildings or improvements on the Premises, as set forth in Paragraph 6 or 21 hereof, the Mortgagee shall be or become entitled to, and shall accelerate the indebtedness hereby secured, then and in such event, the Mortgagee shall be entitled to apply all such insurance proceeds and condemnation awards then held by it in reduction of the indebtedness hereby secured (less the amount thereof, if any, which is then currently payable for work completed and in place in connection with such rebuilding or restoration), and any excess held by it over the amount of indebtedness then due hereunder shall be returned to the Mortgagor or any party entitled thereto without interest.

Foreclosure: Expense of Litigation

14. When the indebtedness hereby secured, or any part thereof, shall become due, whether by acceleration or otherwise, the Mortgagee shall have the right to foreclose the lien hereof, for such indebtedness or part thereof. In any civil action to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the order or judgment for sale all reasonable expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for attorneys' fees, appraiser's 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 order or judgment) 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 as the Mortgagee may deem reasonably necessary either to prosecute such civil actions or to evidence to bidders at any sale which may be had pursuant to such order or judgment the true condition of the title to or the value of the Premises. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of the Premises and maintenance of the lien of this Mortgage including the fees of any

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attorney employed by the Mortgagee in any litigation or proceeding affecting this Mortgage, the Loan Agreement, the Loan, the Note or the Premises, including probate, bankruptcy and appellate proceedings, or in preparations for the commencement or defense of any proceeding or threatened civil actions or proceeding shall be immediately due and payable by the Mortgagor, with interest thereon at the Default Rate, and shall be secured by this Mortgage.

Application of Proceeds of Foreclosure Sale

15. 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 paragraph hereof; second, all other items which may under the terms hereof constitute secured indebtedness additional to that of the Loan evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Loan; and fourth, any surplus to the Mortgagor, its successors or assigns, as their rights may appear.

Appointment of Receiver

16. Upon, or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of the Mortgagor at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not and the Mortgagee hereunder or any holder of the Note may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit and during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when the Mortgagor, 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 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: (a) the indebtedness secured hereby, or by any judgment or order 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; (b) the deficiency in case of a sale and deficiency.

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Mortgagee's Right of Possession in Case of an Event of Default

17. In any case in which under the provisions of this Mortgage, the Mortgagee has a right to institute foreclosure

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proceedings, whether before or after the whole principal sum secured hereby is declared to be immediately due, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, forthwith, upon demand of the Mortgagee, the Mortgagor shall surrender to the Mortgagee and the Mortgagee shall be entitled to take actual possession of the Premises or any part thereof personally, or by its agent or attorneys, as for condition broken. In such event the Mortgagee in its discretion may, in accordance with law, enter upon and take and maintain possession of all or any part of the Premises, together with all documents, books, records, papers and accounts of the Mortgagor or then owner of the Premises relating thereto, and may exclude the Mortgagor, its agents or servants, wholly therefrom and may as attorney in fact or agent of the Mortgagor, or in its own name as the 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: (a) to cancel or terminate any lease or sublease for any cause or on any ground which would entitle the 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 of the indebtedness hereunder 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 the 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 a foreclosure of this Mortgage, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; (d) to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Premises as to it may seem judicious; (e) to insure and reinsure the same and all risks incidental to the Mortgagee's possession, operation and management thereof; and (f) to receive all of such avails, rents, issues and profits; hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without notice to the Mortgagor.

The Mortgagee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any leases. The Mortgagor shall and does hereby agree to indemnify and hold the Mortgagee harmless of and from any and all liability, loss or damage which

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the Mortgagee may or might incur under said leases or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said leases. Should the Mortgagee incur any such 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, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby, and the Mortgagor shall reimburse the Mortgagee therefor immediately upon demand.

Application of Income Received by Mortgagee

18. The Mortgagee, in the exercise of the rights and powers conferred herein, shall have full power to use and apply the avails, rents, guest room receipts and income, issues and profits of the Premises to the payment of or on account of the following, in such order as the Mortgagee may determine:

(a) to the payment of the operating expenses of the Premises, including cost of management and leasing thereof (which shall include appropriate compensation to the 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;

(b) to the payment of taxes and special assessments now due or which may hereafter become due on the Premises; and, if this is a leasehold mortgage, of all rents due or which may become hereafter due under the underlying lease;

(c) to the payment of all repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements of the Premises and of placing the Premises in such condition as will, in the judgment of the Mortgagee, make it readily rentable;

(d) to the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale.

Rights Cumulative

19. No right, power or remedy herein conferred upon or reserved to the Mortgagee is intended to be exclusive of any other right, power or remedy, and each right, power and remedy herein conferred upon the Mortgagee is cumulative and in addition to every other right, power or remedy, express or implied, given now or hereafter existing, at law or in equity, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Mortgagee, and the exercise or the beginning of the exercise of one right, power or remedy shall not

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be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy, and no delay or omission of the Mortgagee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any Event of Default or acquiescence therein.

Mortgagee's Right of Inspection

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

Condemnation

21. The Mortgagor hereby assigns, transfers and sets over unto the Mortgagee the entire proceeds of any award or any claim for damages for any of the Premises taken or damaged under the power of eminent domain or by condemnation. In accordance with Article VIII of the Loan Agreement, such condemnation proceeds shall be applied either to reduce the indebtedness secured hereby or to reimburse the Mortgagor for the cost of rebuilding and restoration. Irrespective of whether such proceeds are made available for restoration or rebuilding, and irrespective of whether such proceeds are adequate for such purpose, the buildings and improvements shall be restored or rebuilt in accordance with plans and specifications to be submitted to and approved by the Mortgagee. In the event said proceeds are used for rebuilding or restoration, the proceeds of the award shall be disbursed in the manner and under the conditions that the Mortgagee may require and paid out in the same manner as provided in Paragraph 6 hereof for the payment of insurance proceeds toward the cost of rebuilding or restoration. In such event, if the estimated cost to complete rebuilding or restoration exceeds the proceeds of the condemnations awards, the Mortgagor immediately shall, on written demand of the Mortgagee, deposit with the Mortgagee in cash the amount of such excess cost. Any surplus which may remain out of said award after payment of such cost of building or restoration shall, at the option of the Mortgagee, be applied on account of the indebtedness secured hereby or be paid to any party entitled thereto without interest.

Release upon Payment and Discharge of Mortgagor's Obligations

22. The Mortgagee shall release this Mortgage and the lien thereof by proper instrument upon payment and discharge of all indebtedness secured hereby or evidenced by the Note.

Giving of Notice

23. Any notice which either party hereto may desire or be required to give to the other party shall be in writing and the mailing thereof by certified mail addressed to the addresses set forth below:

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If to Mortgagor: E.K. Limited Partnership
c/o Great Lakes Partners
One Parkview Plaza, Suite 750
Oakbrook Terrace, Illinois 60181
Attention: Mr. James Mackenbrock

If to Mortgagee: LaSalle National Bank
120 South La Salle Street
Chicago, Illinois 60603
Attention: Ms. Lisa Cunningham

or at such other place as any party hereto may by notice in writing designate as a place for service of notice, shall constitute service of notice hereunder.

Waiver of Notice

24. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the Loan and Note hereby secured.

Waiver of Statutory Rights

25. The Mortgagor shall not apply for or avail itself of any appraisal, 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. The 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. The Mortgagor does hereby expressly waive any and all rights of redemption from any sale or from any order, judgment or decree of foreclosure of this Mortgage on behalf of the Mortgagor, and each and every person acquiring any interest in or title to the Premises subsequent to the date of this Mortgage. The Mortgagor hereby represents and warrants to the Mortgagee that it has been directed in writing by the appropriate beneficiaries and holders of the power of direction of the trust estate to expressly waive all rights of redemption to the Premises and reinstatement of the loan secured hereby in the manner herein set forth. The Mortgagor does hereby further expressly waive, to the extent now or hereafter permitted by law, all rights of reinstatement of this Mortgage pursuant to Section 15-1602 of the Illinois Mortgage Foreclosure Law, as amended from time to time.

Furnishing of Financial Statements to Mortgagee

26. The Mortgagor shall keep and maintain books and records of account in which full, true and correct entries shall be made of all dealings and transactions relative to the Premises, which books and records of account shall, at reasonable times, and on

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reasonable notice, be open to the inspection of the Mortgagee and its accountants and other duly authorized representatives. Such books of record and account shall be kept and maintained in accordance with generally accepted accounting practice consistently applied.

Filing and Recording Fees

27. The Mortgagor shall pay all filing, registration or recording fees, and all expenses incident to the execution and acknowledgement of this Mortgage and all federal, state, county, and municipal taxes, and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Loan Agreement, the Note and this Mortgage.

Compliance with Laws: Environmental

28. The Premises and the use thereof, presently and at all times, shall comply with all applicable laws and governmental regulations including, without limitation, all federal, state and local laws pertaining to air and water quality, hazardous waste, waste disposal, air emissions and other environmental matters, all zoning and other land use matters, and utility availability.

The Mortgagor shall take all actions necessary to cause the Premises to be kept free of any hazardous waste, toxic substances or related materials ("Hazardous Materials"). For the purposes of this Mortgage, Hazardous Materials shall include, but shall not be limited to, any substance, material, or waste which is or becomes regulated by any local governmental authority, the State of Illinois, or the United States Government. The Mortgagor shall not cause or permit the Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose of, transfer, produce, or process Hazardous Materials, except in compliance with all applicable federal, state, and local laws and regulations, nor shall the Mortgagor cause or permit, as a result of any intentional or unintentional or omission on the part of the Mortgagor or any tenant, subtenant, occupant or other entity or person, a release of Hazardous Materials onto the Premises or onto any other property.

The Mortgagor shall conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials, on, under, from or affecting the Premises in accordance with all applicable federal, state, and local laws, ordinances, rules, regulations and policies, to the reasonable satisfaction of the Mortgagee, and in accordance with the orders and directives of all federal, state and local governmental authorities.

Neither the Mortgagor nor, to the best of the Mortgagor's knowledge, any previous owner, occupier, or user of the Premises, has used, generated, stored or disposed of, on, under or about the Premises any Hazardous Materials. Further, the Premises do not contain, and, to the best of the Mortgagor's knowledge, have not in the past contained, any asbestos containing material in friable

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form and there is no current or potential airborne contamination that would be caused by maintenance or tenant finish activities in any building located on the Premises. The Mortgagor shall protect, indemnify and hold harmless the Mortgagee, its directors, officers, employees, agents, successors and assigns, from and against any and all loss, damage, cost, expense or liability (including attorneys' fees and costs) directly or indirectly arising out of or attributable to the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal or presence of Hazardous Materials or asbestos on, under or about the Premises including without limitation (i) all foreseeable consequential damages; and (ii) the costs of any required or necessary repair, cleanup or detoxification of the Premises and the preparation and implementation of any closure, remedial or other required plans. This indemnity shall survive the reconveyance of the lien of this Mortgage, or the extinguishment of the lien by foreclosure or action in reconveyance or extinguishment or deed in lieu of foreclosure.

Security Agreement

29. Following an Event of a Default, the Mortgagee, pursuant to the appropriate provisions of the UCC, shall have the option of proceeding as to both real and personal property in accordance with its rights and remedies with respect to the real property, in which event the default provisions of the UCC shall not apply. The parties agree that, in the event the Mortgagee shall elect to proceed with respect to the personal property collateral securing the indebtedness separately from the real property, ten (10) days notice of the sale of the personal property collateral shall be reasonable notice. The reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by the Mortgagee shall include, but not be limited to, reasonable attorneys' fees and legal expenses incurred by the Mortgagee. The Mortgagor agrees that, without the written consent of the Mortgagee, the Mortgagor will not remove or permit to be removed from the Premises any of the personal property or fixtures securing the indebtedness except that so long as no Event of Default has occurred, the Mortgagor shall be permitted to sell or otherwise dispose of such property when obsolete, worn out, inadequate, unserviceable or unnecessary for use in the operation of the Premises, upon replacing the same or substituting for the same other property at least equal in value to the initial value to that disposed of and in such a manner so that said other property shall be subject to the security interest created hereby and so that the security interest of the Mortgagee shall always be perfected and first in priority, it being expressly understood and agreed that all replacements, substitutions and additions to the property securing the indebtedness shall be and become immediately subject to the security interest of this Mortgage and covered hereby. The Mortgagor shall, from time to time, on request of the Mortgagee, deliver to the Mortgagee in reasonable detail an inventory of the personal property securing the indebtedness. The Mortgagor covenants and represents that all personal property securing the indebtedness now is, and that all replacements thereof, substitutions therefor or additions thereto,

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unless the Mortgagee otherwise consents, shall be free and clear of liens, encumbrances or security interest of others.

Indemnity

30. The Mortgagor agrees to indemnify and hold harmless the Mortgagee from and against any and all losses, liabilities, suits, obligations, fines, damages, judgments, penalties, claims, charges, costs and expenses (including attorneys' fees and disbursements) which may be imposed on, incurred or paid by or asserted against the Mortgagee by reason or on account of, or in connection with, (i) any willful misconduct of the Mortgagor or any Event of Default or default under the other loan documents given at any time to secure the payment of the Loan and Note secured hereby, (ii) the Mortgagee's good faith and commercially reasonable exercise of any of its rights and remedies, or the performance of any of its duties, hereunder or under said other loan documents to which the Mortgagor is a party, (iii) the construction, reconstruction or alteration of the Premises, (iv) any negligence of the Mortgagor, or any negligence or willful misconduct of any lessee of the Premises, or any of their respective agents, contractors, subcontractors, servants, employees, licensees or invitees or (v) any accident, injury, death or damage to any person or property occurring in, on or about the Premises or any street, drive, sidewalk, curb or passageway adjacent thereto, except for the willful misconduct or gross negligence of the indemnified person. Any amount payable to the Mortgagee under this Paragraph shall be due and payable within ten (10) days after demand therefor and receipt by the Mortgagor of a statement from the Mortgagee setting forth in reasonable detail the amount claimed and the basis therefor, and such amounts shall bear interest at the Default Rate from and after the date such amounts are paid by the Mortgagee until paid in full by the Mortgagor.

The Mortgagor's obligations under this Paragraph shall not be affected by the absence or unavailability of insurance covering the same or by the failure or refusal by any insurance carrier to perform any obligation on its part under any such policy of covering insurance. If any claim, action or proceeding is made or brought against the Mortgagor and/or the Mortgagee which is subject to the indemnity set forth in this Paragraph, the Mortgagor shall resist or defend against the same, if necessary in the name of the Mortgagee, by attorneys for the Mortgagor's insurance carrier (if the same is covered by insurance) or otherwise by attorneys approved by the Mortgagee. Notwithstanding the foregoing, the Mortgagee, in its discretion, may engage its own attorneys to resist or defend, or assist therein, and the Mortgagor shall pay, or, on demand, shall reimburse the Mortgagee for the payment of, the reasonable fees and disbursements of said attorneys.

Prohibited Transfer

31. The Mortgagor shall not, without the prior written consent of the Lender, create, effect, consent to, attempt, contract for, agree to make, suffer or permit any conveyance, sale,

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assignment, transfer, lien, pledge, hypothecation, mortgage, security interest, lease (other than as permitted hereunder) or other encumbrance or alienation of the Premises or the Loan Documents, or any part thereof, interest therein or earnings thereon, including, without limitation, the beneficial interest of the Premises into any land trust, or any portion thereof, or of any ownership interest in any entity owning, directly or indirectly, any interest therein, or attempt to do any of the foregoing, whether any such conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest, encumbrance or alienation is effected directly, indirectly, voluntarily or involuntarily, by operation of law or otherwise (a "Prohibited Transfer").

For the purpose of, and without limiting the generality of, this Paragraph, the occurrence at any time of any of the following events shall be deemed to be a Prohibited Transfer and therefore an Event of Default: (a) any sale, conveyance, assignment or other transfer, directly or indirectly, of any ownership interest of the beneficial interest of the land trust agreement establishing the Mortgage, or (b) the grant of a security interest in the beneficial interest of the land trust agreement establishing the Mortgage.

It is understood and agreed that the indebtedness secured hereby was created solely due to the financial sophistication, creditworthiness, background and business sophistication of the Mortgagee, and the Mortgagee continues to rely upon same as the means of maintaining the value of the Premises. It is further understood and agreed that any secondary or junior financing placed upon the Premises or the improvements located thereon, or upon the interests of the Mortgagee may divert funds which would otherwise be used to pay the indebtedness secured hereby, and could result in acceleration and/or foreclosure by any such junior lienor. Any such action would force the Mortgagee to take measures, and incur expenses, to protect its security, and would detract from the value of the Premises mortgaged hereby, and impair the rights of the Mortgagee granted hereunder. Without limiting the foregoing, the Mortgagee shall not incur any additional indebtedness, whether secured or unsecured, without the prior written consent of the Mortgagee.

Any consent by the Mortgagee to, or any waiver of any Prohibited Transfer shall not constitute a consent to, or waiver of, any right, remedy or power of the Mortgagee upon a subsequent Event of Default.

Future Advances

32. Without limiting the generality of any other provision hereof, the indebtedness secured hereby shall include (a) all existing indebtedness to the Mortgagee under the Loan and evidenced by the Note and all renewals, extensions, modifications and replacements thereof, and (b) all future advances that may be subsequently made by the Mortgagee and all renewals, extensions, modifications and replacements thereof. The Mortgagee hereby

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agrees to execute any and all supplemental notes, agreements or other documents as the Mortgagee may reasonably request to evidence such future advances, which such supplemental notes, agreements or other documents shall be similar in form and substance to the existing notes, agreements and other documents from the Mortgagor in favor of the Mortgagee.

Enforceability

33. This Mortgage and the indebtedness arising hereunder shall be governed by, and construed in accordance with, the internal laws of the State of Illinois applicable to contracts made and performed in such State and any applicable laws of the United States of America.

Revolving Credit Arrangement.

34. This Mortgage is given to secure a revolving credit loan and shall secure not only existing indebtedness, but also future advances, whether such advances are obligatory or are to be made at the option of the Mortgagee, or otherwise, as are made within twenty (20) years from the date hereof, to the same extent as if such future advances were made on the date hereof. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid balance so secured at any one time shall not exceed the maximum principal amount of \$10,000,000 plus interest thereon and any disbursements which are made for the payment of taxes, special assessments or insurance on the Premises or other disbursements as provided for herein.

Disbursement of Loan Proceeds for Construction of Improvements

35. This is a construction mortgage, as said term is defined in Section 9-313(1)(c) of the Uniform Commercial Code. The loan is a business loan within the meaning of Section 6401(1)(c) of Chapter 17 of the Illinois Revised Statutes, as amended from time to time. The Mortgagor further covenants and agrees that the loan secured hereby is a construction loan and that the proceeds of the loan secured hereby are to be disbursed by the Mortgagee to the Mortgagor in accordance with the provisions contained in the Loan Agreement. All advances and indebtedness arising and accruing under the Loan Agreement 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 said Loan Agreement were fully incorporated in this Mortgage, and the occurrence of any Default under the Loan Agreement shall constitute an Event of Default under this Mortgage entitling the Mortgagee to all of the rights and remedies conferred upon the Mortgagee by the terms of this Mortgage. In the event of any conflict or inconsistency between the terms of this Mortgage and the Loan Agreement, the terms and provisions of the Loan Agreement shall in each instance govern and control.

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Miscellaneous

36. This Mortgage and all provisions hereof, shall extend to and be binding upon the Mortgagor and its successors, grantees and assigns, any subsequent owner or owners of the Premises, and all persons claiming under or through the Mortgagor, and the word "Mortgagor" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of the Mortgagee named herein, and the holder or holders, from time to time, of the Note.

In the event one or more of the provisions contained in this Mortgage, the Loan Agreement or the Note or in any of the other Loan Documents given to secure the payment of the Loan shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Mortgagee, not affect any other provision of this Mortgage, and this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

At all times, regardless of whether any loan proceeds have been disbursed, this Mortgage secures (in addition to any loan proceeds disbursed from time to time) the payment of any and all expenses and advances due to or incurred by the Mortgagee in connection with the indebtedness secured hereby; provided, however, notwithstanding anything to the contrary herein, the total aggregate indebtedness secured by this Mortgage shall not exceed an amount equal to 500% of the face amount of the Note.

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

The Mortgagor shall not by act or omission permit any building or other improvement on the Premises not subject to the lien of this Mortgage to rely on the Premises or any part thereof or any interest therein to fulfill any municipal or governmental requirement, and the Mortgagor hereby assigns to the Mortgagee any and all rights to give consent for all or any portion of the Premises or any interest therein to be used. Similarly, no building or other improvement on the Premises shall rely on any premises not subject to the lien of this Mortgage or any interest therein to fulfill any governmental or municipal requirement. The Mortgagor shall not by act or omission impair the integrity of the Premises as a single zoning lot separate and apart from all other premises. Any act or omission by the Mortgagor which would result in a violation of any of the provisions of this paragraph shall be void.

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The Mortgagor on written request of the Mortgagee will furnish a signed statement of the amount of the indebtedness secured hereby and whether or not any Event of Default or any event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default, then exists hereunder and specifying the nature of such Event of Default or other event.

The Mortgagee shall have the right at its option to foreclose this Mortgage subject to the rights of any tenant or tenants of the Premises and the failure to make any such tenant or tenants a party defendant to any such civil action or to foreclose their rights will not be asserted by the Mortgagor as a defense in any civil action instituted to collect the indebtedness secured hereby, or any part thereof or any deficiency remaining unpaid after foreclosure and sale of the Premises, any statute or rule of law at any time existing to the contrary notwithstanding.

At the option of the Mortgagee, this Mortgage shall become subject and subordinate, in whole or in part (but not 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 Premises upon the execution by the Mortgagee and recording or registering thereof, at any time hereafter, in the Office wherein this Mortgage was recorded or registered, of a unilateral declaration to that effect.

Any property management agreement for the Premises, whether now in effect or entered into hereafter by the Mortgagor with a property manager, shall contain a "no lien" provision whereby the property manager waives and releases, to the extent permitted by law, any and all mechanics' lien rights, if any, that it or anyone claiming through or under it may have pursuant to applicable law. Such property management agreement or a short form thereof shall, at the Mortgagee's request, be recorded with the Office of the Recorder of Deeds for the county in which the Premises are located. In addition, the Mortgagor shall cause the property manager to enter into a subordination agreement with the Mortgagee, in recordable form, whereby the property manager subordinates, to the extent permitted by law, its present and future lien rights and those of any party claiming by, through or under it, to the lien of this Mortgage. The Mortgagor's failure to require the "no lien" provision or the subordination agreement described herein shall constitute an Event of Default under this Mortgage.

The terms "Mortgage," "Security Agreement" and "Mortgage and Security Agreement" wherever used herein or in the Loan Agreement, Note or in any other instrument evidencing or securing the Loan shall mean this Mortgage and the Security Agreement herein contained or any other security agreement securing the Loan, as the context may so require.

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IN WITNESS WHEREOF, the Mortgagor has executed this Construction Mortgage, Security Agreement and Financing Statement as of the day and year first above written.

E.K. LIMITED PARTNERSHIP, an Illinois Limited partnership

By: GREAT LAKES PARTNERS OF WISCONSIN, INC., a Wisconsin corporation

ATTEST:

By: _____

Its: _____

By: James M. Mackenbrock

Its: Vice-President

COOK COUNTY, ILLINOIS
FILED FOR RECORD

STATE OF ILLINOIS)

23 JUL 30 AM 9:47

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COUNTY OF COOK)

The undersigned, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that James M. Mackenbrock and Timothy W. Barrett, as Vice President and _____ Secretary of GREAT LAKES PARTNERS OF WISCONSIN, INC., a Wisconsin corporation, the general partner of E.K. LIMITED PARTNERSHIP, an Illinois limited partnership, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice President and _____ Secretary of said corporation, 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 corporation on behalf of said limited partnership, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 20 day of July, 1993.



Leah Rogerson
Notary Public

My Commission Expires:

5-19-97

GKF:de
D51734.AGR
June 24, 1993

UNOFFICIAL COPY

EXHIBIT "A"

LEGAL DESCRIPTION OF REAL ESTATE

PARCEL 1:

LOT 5 IN THE OAKVIEW SHOPPING CENTER SUBDIVISION BEING PART OF THE NORTHWEST 1/4 OF SECTION 24, AND PART OF THE RESUBDIVISION OF LOT 2 IN RIVER OAKS WEST UNIT NO. 2, BEING A SUBDIVISION OF PART OF THE NORTHEAST 1/4 OF SECTION 24, ALL IN TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 2:

EASEMENTS AND OTHER RIGHTS FOR THE BENEFIT OF PARCEL 1, ITS OWNERS, SUCCESSORS, ASSIGNS AND PERMITEES, PURSUANT TO A NON-EXCLUSIVE AND PERPETUAL EASEMENT FOR PEDESTRIAN AND VEHICULAR INGRESS AND EGRESS OVER, ALONG AND ACROSS, AND OTHERWISE TO UTILIZE, FOR THE PURPOSES SET FORTH IN THE OPERATION AND EASEMENT AGREEMENT DATED AUGUST 10, 1992, AND RECORDED AUGUST 12, 1992 AS DOCUMENT NO. 92599324, BY AND BETWEEN DAYTON HUDSON CORPORATION AND E.K. LIMITED PARTNERSHIP, OVER THE FOLLOWING DECLARED LAND: LOT 7 OF THE OAKVIEW SHOPPING CENTER SUBDIVISION BEING PART OF THE NORTHWEST 1/4 OF SECTION 24, AND PART OF THE RESUBDIVISION OF LOT 2 IN RIVER OAKS WEST UNIT NO. 2, BEING A SUBDIVISION OF PART OF THE NORTHEAST 1/4 OF SECTION 24, ALL IN TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

EASEMENTS AND OTHER RIGHTS FOR THE BENEFIT OF PARCEL 1, AS CREATED BY DECLARATION OF ALLOCATION, DESIGNATION OF NEW PARTY AND AGREEMENT REGARDING OPERATION AND EASEMENT AGREEMENT DATED JANUARY 27, 1993 AND RECORDED JANUARY 28, 1993 AS DOCUMENT 93074472, MADE BY AND BETWEEN OPUS NORTH CORPORATION AND E.K. LIMITED PARTNERSHIP, INCLUDING EASEMENTS FOR UTILITIES AND EASEMENTS FOR THE PASSAGE AND PARKING OF VEHICLES OVER AND ACROSS THE PARKING AND DRIVEWAY AREAS AND FOR THE PASSAGE AND ACCOMODATION OF PEDESTRIANS OVER AND ACROSS THE PARKING, DRIVEWAY AND SIDEWALK AREAS OF THE TRACT DESCRIBED AS PARCEL 2 HEREIN, IN COOK COUNTY, ILLINOIS.

PROPERTY ADDRESS:

159th Street and Paxton Avenue
Calumet City, Illinois 60409

PERMANENT TAX IDENTIFICATION NUMBER:

29 24 200 047

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EXHIBIT "B"

PERMITTED EXCEPTIONS

1. Real estate taxes not yet due and payable.
2. Existing unrecorded Leases and all rights thereunder of the Lessees and of any person or party claiming by, through or under the Lessees.
3. Terms and conditions of Operation and Easement Agreement between Dayton Hudson Corporation and E. K. Limited Partnership, recorded August 12, 1992 as Document 92599324.
4. Sanitary Sewer Easement recorded November 15, 1977 as Document 24195612, as shown on the plat of Oakview Shopping Center Subdivision, recorded October 6, 1992 as Document 92743693.
5. Declaration of Allocation, designation of new party and agreement regarding Operation and Easement Agreement dated October 1, 1992 and recorded October 9, 1992 as Document 92753015, and re-recorded January 28, 1993 as Document 93074470, made by and between Circuit City Stores, Inc., and E. K. Limited Partnership.
6. Easement in favor of the Illinois Bell Telephone Company and the Commonwealth Edison Company, and its/their respective successors and assigns, to install, operate and maintain all equipment necessary for the purpose of serving the land and other property, together with the right of access to said equipment, and the provisions relating thereto contained in the grant recorded/filed as Document No. 93100101, affecting the south 10 feet of the land.